

OVERSEAS NEWS

Sudan bankers arrested in black market curbs

BY JOHN MURRAY BROWN

SUDAN'S three-month-old government has arrested a number of leading bankers as part of a continuing clampdown on the country's black market, the main source of finance for the private sector.

The arrests, confirmed by Mr el Tayeb Abdel Magied, the head of a seven-man Banks Investigation Committee, have pitched Sudan's business community into its worst crisis since the sweeping nationalisation of former President Jaafar Nimeiri in 1971.

Among those arrested is Mr Mohammed Gassim, the Jordanian manager of Citibank International. Citibank is the only foreign bank still operating in Sudan. Also arrested was Dr Hassan Ali Salih, local manager of Blue-Nile Bank, a Sudanese-Korean "private" joint venture.

Mr Gassim was released on \$100,000 bail after five days in police custody. Bail of \$7m was paid for Dr Salih. These amounts, confirmed by the committee, would appear to reflect the gravity of the charges pending.

These include illegal currency dealing, handling falsified customs declaration documents, exceeding central bank credit ceilings and advancing loans to finance black market activity. The committee, which confirmed all banks were under investigation, including the central bank, estimated capital flight through the black market at \$15bn since 1978, the year Sudan introduced an IMF reform programme.

A number of black market money dealers have already been arrested and contraband goods confiscated from traders' warehouses. In addition, customs officials have tightened controls on Sudan's eight borders in a bid to stop smuggling.

The new tough measures appear to have stemmed the slide of the Sudanese pound against the dollar on the black market. The black market pound was trading last week at 4.15, at virtual parity with the commercial rate of 4.10 used for non-government imports and remittances from the 2m Sudanese who work abroad. This fuelled speculation about an impending revaluation of the official rate of 2.45 to the dollar.

However, the Government's assault on the black market has been widely criticised. Following new exchange controls in February imports have been dramatically cut. No new licences have been issued since the first week in July.

According to bank officials, the new system, whereby all foreign exchange is pooled with the central bank and allocated according to priority, fails to generate sufficient funds even for vital imports. Pharmaceutical imports, for example, priority are were down 66 per cent over the period.

Industrialists, allocated foreign exchange, complain that the ad hoc system makes production schedules difficult to plan.

The Government can expect a sharp fall in customs duties, a main source of revenue, as customs duties have virtually dried up.

The crisis has brought calls for a lifting of import restrictions, most notably by the influential economist Dr Abdel Rahim Mirghani, a former central bank governor and now senior adviser to the Kuwaiti Fund.

Against this background Mr Sadiq el Mahdi's government is expected to present its first annual budget next month.

Iran to discuss gas exports with Soviets

BY RICHARD JOHNS IN LONDON

RESUMPTION of gas exports to the Soviet Union is believed to be high on the agenda for talks to be held in Moscow this week by Mr Gholamreza Agazadeh, Iran's Minister of Oil.

"We will negotiate with Soviet officials on mutual co-operation in the field of oil and natural gas," the Islamic Republic News Agency reported yesterday from Tehran.

Talks about reactivating the agreement were started towards the end of last year after a suspension of supplies through the Iranian Gas Trunkline (Igat) lasting nearly six years. Iran is desperate to increase foreign exchange earnings or increase the scope of its counter trade.

Deliveries through Igat, which has a capacity of 1bn cubic feet per day, and was constructed by the International Management Engineering Group of the UK, were halted in 1980 because of a dispute about prices.

Under the complex triangular deal the Iranian gas satisfied local Soviet requirements in the region adjacent to the border between the two countries, thereby allowing more Siberian gas to be exported to West Europe.

Mr Mohammed Javad Larjani, Iran's Deputy Minister for Economic and International Affairs, visited Moscow earlier this month to discuss economic co-operation and regional security.

Mr Agazadeh is also scheduled to visit a number of African and Asian producing states to discuss the Organisation of Petroleum Exporting Countries' efforts to restrain oil output, IRNA reported.

Aquino case lawyer links Imelda Marcos to killing

A LAWYER said in Manila yesterday that he had evidence linking former First Lady Imelda Marcos to the murder of President Corazon Aquino's husband, Benigno Aquino Jr.

Mr Lazaro is the lawyer for the family of Rolando Galman, whom the court decided shot Mr Aquino. Galman was gunned down by airport security guards.

"I have evidence linking Mrs Marcos to the assassination. I will bring it out in due time when the Supreme Court orders a retrial," Mr Lazaro said.

Mr Richard Lugar, chairman of the US Senate foreign relations committee, arrived in Manila yesterday for talks with President Corazon Aquino ahead of her scheduled visit to Washington next month.

Mr Lugar was expected to discuss Aquino's first visit to the US as President as well as economic and political issues.

Geologists expect fresh oil and gas discoveries

VAST unexplored parts of the world will eventually yield as much oil as has already been discovered, a leading US geologist said yesterday, Benister reports from Singapore.

"Many researchers feel that in the Arctic Basin alone there is the potential for accumulations of oil and gas which may equal those of the Middle East," Mr Michel Halbouty told a geology conference in Singapore attended by 400 delegates from 32 countries.

"Geoscientific studies and surveys have indicated that a sizable potential exists in the immediate offshore areas," he said.

Mr Halbouty, head of a Houston-based exploration company and chairman of the Circum-Pacific Council for Energy and Mineral Resources, which groups national geology associations, said there might also be significant oil and gas deposits under the ice of Antarctica.

Mr Halbouty said demand for energy would inevitably rise with population growth into the next century. He said oil and natural gas would remain the world's mainstay fuels.

Studies of the Earth's structures had advanced more in the past five years than over the past 50 years, helping the search for new energy resources.

Many of the new fields would be offshore, he said, some of them under one third of the world's sea area that had yet to be explored.

Formidable problems of technology, supply, the environment and international politics would delay oil extraction for many years but, given the economic incentive, solutions to seemingly unsolvable problems could be found, he said.

"As long as there is a need for petroleum, we in the global petroleum industry will find those supplies of oil and gas, whether in harsh or moderate environments, under ice or in deep waters," Mr Halbouty said.

He said that new fields would only be developed when the world oil price returned to about \$30 a barrel from today's \$15.

Mervyn de Silva reports on a refugee problem which embarrasses and angers many Sri Lankans

Desperation of the Tamil diaspora

AFTER THE mystery of the Sri Lankan Tamil "boat people" adrift off the Newfoundland coast was "solved" and the 154 asylum seekers were found not to be Tamils fleeing Sri Lanka's war-torn north in fear, an editorial in the Sri Lankan daily Island newspaper said: "Here was one more example of 'harassment' and 'cruelty' to Tamils in Sri Lanka, that the Eelamists (separatists) would no doubt have been waiting to tell the world."

Official reactions to the incident were mixed: Relief, to begin with, that these were not strictly speaking "boat people" and disappointment subsequently over the attitude of the Canadian Government. Although Sri Lanka had told Ottawa that it would accept the whole lot, Canada decided to let them stay for one year until their "cases were processed."

From about 4,000 Tamil refugees awaiting a final court ruling in Canada, not one has been deported to Sri Lanka. This is also true of West Germany where the number, the largest anywhere, is close to 30,000.

Last week, President Junius Jayewardene, campaigning to convince a suspicious Sinhalese that his offer of provincial autonomy to the separatist Tamil United Liberation Front (TULF) was the path to peace, lamented that "Sri Lanka, in spite of our culture, heritage and our democratic achievements, was regarded now as a country that persecuted minorities..."

International image would hardly matter if Sri Lanka had not been so heavily dependent on aid. Fifty per cent of its budget is foreign-financed. Thus, the Tamil exodus, which swelled after the carnage of July 1983, is a classic example of how racial strife and its human spill-over not only sours relations between otherwise friendly neighbours but exposes the aid-dependent country to undeclared economic "sanctions" by Western donors.

At the June 19 aid group meeting in Paris, Canada for instance, told Mr Ronnie de Mel, the Finance Minister, that "inter-communal conflict physically inhibits our activities on the ground. Most of the north is inaccessible to us. Increasing areas of the Eastern Province are becoming difficult for us to maintain an equitable distribution of aid to all ethnic groups as required by Canadian aid policy."

Pressure both by Bonn and Colombo led the East German authorities to insist on a valid visa for "the final destination" from all Sri Lankans arriving in East Germany. A ride by train or tube from East to West Berlin, and the would-be asylum seeker was home and dry. The rule applies only to Sri Lankans.

To get to the German Democratic Republic, the refugee could take an Aeroflot flight from Colombo to Moscow or a

Balkan Airways (Bulgarian) flight to Sofia. There is still a small number of Tamils awaiting deportation in Poland, and reportedly in two other East European countries.

The exodus began in the mid-50s as part of the Third World brain drain. Several thousand professionals, Sinhalese and Tamils, left home, chiefly to the UK, other Commonwealth countries, and the US. The Tamils had a special reason in the wake of a Sinhalese-Buddhist "cultural revolution."

From this diaspora came the idea of "Eelam," a separate Tamil state. The first expatriates were well-to-do and all reasonably well adjusted. Paradoxically, it is their offspring, presumably even better integrated, who seem to have been seized by a hankering for a Tamil "homeland" in which they are most unlikely to live, even if it is created out of a partitioned island.

Today's refugees are a desperate band. There are more than 200 Sri Lankans, almost all Tamils, in European jails for drug trafficking. Some have arrived in Italy with their tongues cut off. (The Mafia, whisper Sri Lankan diplomats). In shoot-outs on the Spanish-French border they have killed border guards, they bribe chauffeurs to smuggle them across borders in diplomatic limousines. They have led riots in the streets of Switzerland. Their illegal activities produce the money that comes to Tamil

guerrilla groups in Madras, south India, to buy arms and to mount operations which end in bomb blasts in Colombo's airport, rail and bus stations, central post office and in five-star hotels.

The genuine "boat people" cross only the 20-mile Palk Straits between Sri Lanka's Tamil north and Tamil Nadu. Ironically, the original "boat people" came to Sri Lanka, half-starved south Indian Tamils looking for the green pastures of the "emerald isle."

The illegal immigrants did not choose to live among their Tamil brethren in the north but made straight for the green ghetto of the island's tea plantations in the central highlands, where the British had transplanted 1m tea pluckers, indentured south Indian labour. After independence in 1948, both India and Ceylon disowned them to make them the world's biggest "stateless" community.

Under two Indo-Sri Lanka treaties, India agreed to confer citizenship on 600,000 and accepted them as repatriates while Sri Lanka would grant citizenship to about 400,000. The pact has been implemented with fair success.

In April, a residual 94,000 Indian Tamil plantation workers were granted Sri Lankan citizenship. But a further 33,000 who were granted Indian citizenship, await repatriation to India. Delhi cannot accept these repatriates, says India, until



Triscomalee villagers mourn relatives killed in clashes between the army and guerrillas

140,000 Sri Lankan Tamil refugees now in south India, can be sent home. The latter are the true "boat people."

The 140,000 are housed in 17 large refugee camps and 150 smaller camps, mostly in tents. Sometimes 20 to 30 families live in one large hall, with their clothes hanging from a siring as the wall dividing family from family," says TULF leader Mr Appapillai Amirthalingham.

The refugees are given rice and firewood at subsidised rates and a maximum monthly family stipend of about £20.

The plight of the Sri Lankan Tamil, dramatised by the refugee presence, has become an emotional issue for the 50m Tamils in south India and a factor in inter-party politics in Tamil Nadu. But it has also become a source of social disturbance and an irritant.

PROPOSAL FOR CITY MARKET SHOPPING ARCADE

(This document covers the outline proposal of Roberts and Nelson Ltd. for the design of the City Market Shopping Arcade. Details and drawings can be found in Appendix A to this report.)

The proposed site for the new Arcade is shown on the map at the right. Although our brief allowed us to choose from several sites within a square mile of the James Square, a site on the north east corner of the square was chosen. This is for several reasons: one is that no buildings are currently located there, thus it would not be necessary to buy up and demolish properties.

Furthermore, the site is within easy distance of Underground, Bus and Rail services. There are also many prime blocks of the property, plus high-density housing. Detailed figures of local residential and office populations will be found in Appendix B.

It is proposed, a further eight units are added by extension during Year 5, the projected annual rental income can be seen clearly from the graph below.

The total number of customers to visit the Arcade during Year 1 has been estimated as being on the order of a million. And as can be seen from the chart, below, some 50% of these will be between 25 and 44 years of age.

This is partly due to the population make-up of the borough in which the Arcade will be sited. It will also be affected by the type of store to be found in the Arcade, with its heavy emphasis on up-market. Fashion retailers, supermarkets and DIY stores.

The next largest segment of customers falls into the 16-24 age group, who will be attracted by the

The better you can express a concept, the more you'll profit from it.

Who knows how many great ideas have died, because they've been buried inside dull documents? It needn't happen to your ideas — an Apple™ DeskTop Publishing System can help them come to life.

But you'll have more than just a persuasive document. The DeskTop Publishing System will save you time and money. On all your reports, newsletters, training material, technical manuals, forms and more. Because everything from the original concept, through corrections and alterations to the final document or artwork is done in-house.

So you'll save the time you would normally have

spent on sending things back and forth to the printers. And save the money it would have cost. You keep the entire job under the personal control of you and your staff.

We can't do justice to the finished results of the DeskTop Publishing System here. But consider this: we're actually selling the system to printers themselves. (And if they don't know, who does?)

Dial 100 and ask for Freefone Apple, or post the coupon for more information about the Apple DeskTop Publishing System.

The sooner you do, the sooner you'll start to profit from it.

Please send me more information about the Apple DeskTop Publishing System.

Name _____

Title _____

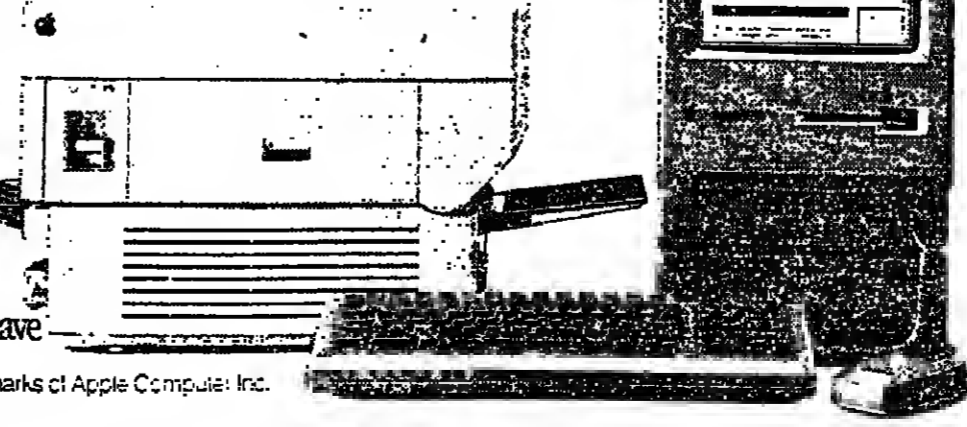
Company _____

Address _____

Postcode _____

Tel. No. _____

Post to: Apple Computer UK Ltd., FREEPOST, Information Centre, Eastman Way, Hemel Hempstead, Herts. HP2 4BR FT19/8



Apple and the Apple Logo are trademarks of Apple Computer, Inc.

Apple
The power to succeed.

WORLD TRADE NEWS

Rivals line up for decision on French telecom networks

BY DAVID MARSH IN PARIS

THE French Government is due to make a decision soon, probably in early September, on choosing which companies will launch computerised business communications networks...



Mr de Benedetti: French ambitions

International Business Machines, the Paribas investment bank and Sema-Metra, one of France's leading software companies, have already established a joint venture to bid to offer value-added communications services...

up the new networks, it appears as though the IBM/Paribas consortium has established a position as favourite. Bull, the French state computer group, has also entered the field in association with General Electric of the US...

Copper smelter talks due

BY COLINA MACDOUGALL

A DELEGATION led by LI Lanqing, the Deputy Mayor of Tianjin, north China, arrives on August 26 for a six-day visit to Britain to discuss a copper refinery and smelting joint venture worth \$250-\$300 million...

Central Engineering and Research Institute for the Non-Ferrous Metallurgical Industry. The plant will produce 100,000 tons a year of refined copper from concentrates imported mainly from the Pacific Rim countries...

China plans to invest in Canadian gold mine

By Stefan Wagstyl in Peking

CHINA IS planning to invest in a Canadian gold mine in an effort to secure access to western technology and management skills.

This would be a rare overseas investment by the Chinese mining industry and the first of its kind in gold. Under the proposals, the China National Gold Corporation would sign a joint venture with Hunker Gold, a privately owned Vancouver company...

Portugal ends battle over telephones

Diana Smith describes the bidding to install digital switching

PORTUGUESE TELEPHONE users who grapple with ancient equipment and overloaded exchanges can now look forward to a leap into late 20th century technology...



Mr Mario Soares

The corporation will spend nearly \$1.7bn (\$1.02bn) over the next decade removing the tollage from antiquated exchanges on the brink of collapse and bringing in two digital switching systems...

placed with an interministerial commission that ignored CTT preferences...

Then came the general election. The minority Social Democrat government that succeeded the Soares administration immediately voiced its displeasure with the proceedings...

Ericsson's bid suffered from lack of a big technology transfer: a deal mostly involving imports was not favoured for a country trying to build a telecommunications industry...

Ottawa seeks helicopter replacement

Canada is to ask international aircraft manufacturers to tender for an order for 30 to 50 helicopter...

The design and main contractor will be selected in 1989 or 1990. The aircraft will operate from frigate flight decks for anti-submarine missions...

Norwegian for Peking

Five Norwegian companies making equipment for the hydro-power industry have joined forces to employ a full-time export envoy...

New Zealand accord

Dyno Industrier, Norwegian manufacturers of explosives, chemicals and plastics, has concluded a technical co-operation agreement with A. C. Hatrik of New Zealand...

Wines in plastic bags

A Hungarian vineyard plans to sell wine to West Germany in plastic bags. Reuter reports from Budapest...

Australia orders clean-air plant

Sweden has received a \$1.25m Australian order for air-pollution control equipment...

Inquiry ordered into Air Lanka

BY MERVYN DE SILVA IN COLOMBO

SRI LANKA'S travel trade and tourism, already badly hurt by the effects of its ethnic conflict, faces yet another blow. A presidential commission of inquiry into Air Lanka's recurring losses and alleged mismanagement and corruption has just begun work...

from the Government. The national carrier has already dropped plans to open routes to Australia and to the US...

The IMF to stop helping "sick" public corporations. With the shadow cast over Air Lanka's future, the prospects of the tourist trade appear even bleaker...

Contracts and Tenders

INVITATION FOR PRE-QUALIFICATION. PRE-QUALIFICATION FOR PRINCIPAL CONTRACTORS FOR THE ELECTRICAL AND MECHANICAL WORKS FOR A NEW ROAD AND RAIL CROSS HARBOUR TUNNEL IN HONG KONG

Company Notices

New Zealand. US\$ 500,000,000 Floating Rate Notes Due 1993. In accordance with the description of the Notes, notice is hereby given that for the interest period from August 19, 1986 to February 19, 1987...

Legal Notices

ABN BANK. ALGEMENE BANK NEDERLAND. The Managing Board of Abn Bank Nederland N.V. has declared an ordinary dividend for the year 1985...

AMERICAN NEWS

Inflation looms in Argentina

THE SPECTRE of high inflation has returned to haunt Argentina and the credibility of President Raul Alfonsín's economic policy is being given a rough ride.

The business community puts a slightly different emphasis. While accepting these arguments, blame is also attached to the limitations of the original Austral Plan and the inability to provide adequate follow-up measures when it was relaxed in March.

Government's 11 per cent ceiling for quarterly rises. The Government has been anxious to head off industrial action from the opposition controlled Peronist trade unions...

Plan price freeze. Fees for professional services - from doctors and lawyers to plumbers and carpenters - and items such as education, health care and restaurants have all raised charges regardless of the freeze.

Mr Jose Luis Machinea, under-secretary for economic policy and a key co-ordinator of the Austral Plan, admits ruefully: "We didn't expect the figures to be so high."

The business community after nine months of low inflation found itself in a substantially improved financial position and at a company level wage demands have not been strongly resisted since March.

The demand for higher wages has been prompted by price rises in the service sector. This is precisely the area of the economy which most escaped the control of the Austral Plan price freeze.

Production landmark for Boeing. BOEING, THE world's biggest jet airplane manufacturer, has just rolled out its 5,000th commercial jet - a 737-500, twin-engine aircraft, at its Renton, Seattle, factory.

Regional phone companies get green light

BY PAUL TAYLOR IN NEW YORK

THE SEVEN US regional telephone holding companies spun off from American Telephone and Telegraph (AT&T) in the 1984 break-up of the Bell System have won another key court ruling which could hasten their expansion outside their own geographic areas.

operations such as cellular telephone, paging and computerised answering services outside their regions. The appeals court decision marks a reversal of a previous ruling by District Court Judge Harold Greene, who presided over the Bell System re-act-up. It is thought to be the first time the courts have overruled the judge's interpretation of his own rules.

the rules and perhaps even the end of Judge Greene's day-to-day oversight of the industry. The court ruling means that the regional companies will be able to expand their services without seeking Judge Greene's approval first.

Boeing has built 866 707-720 four-engine jets, 3,552 trijet 727s, 1,275 twin-engine 737s, 654 four-engine 747 Jumbo jets, 109 twin-engine 757s, and 150 twin-engine 767s in the period. It is now working on the twin-engine 777 propfan airplane for service from 1992.

TECHNOLOGY

DAVID FISHLOCK looks at Sperry's commitment to artificial intelligence.

Joint research the key to expert success

CAN SPERRY, the US computer company which spends only one-tenth as much as IBM on research and development, hope seriously to score at artificial intelligence, the new frontier for computing which promises to emerge as a major commercial sector in the early-1990s?

No large computer manufacturer has made a more overt effort to declare its confidence in artificial intelligence (AI)—giving computers the ability to use human judgment—and in its own ability to capitalise commercially on the new technology. "Technology leverage" is the key to competing—whether with IBM or Japanese manufacturers—on this expensive new battleground, Dr Joseph Mathias told a recent seminar on AI at the Sperry International Management Centre near Nice.

Dr Mathias, vice-president for research and technology with Sperry's Information Systems, products and technology group, is responsible for a research budget of about \$40m, about one-tenth of the \$420m the company plans to spend on research and development for computing systems this year. But he also has responsibilities for co-ordination in some of the key areas concerned with leverage, notably the corporate coupling with MCC, the American research co-operative which is studying "enabling technologies" for AI.

supported by all US semiconductor makers, to research sub-micron silicon chips.

● Collaboration with Hitachi, of Japan, on printers and optical disk storage.

● Collaboration with Texas Instruments on AI products such as Explorer, a powerful machine for developing AI systems.

● Collaboration in AI research with universities in the US and Europe.

One further cooperation also deserves mention: the recent merger with Burroughs to double the size of its computer business, although Sperry executives admit they have still to discover what this might mean for the research base.

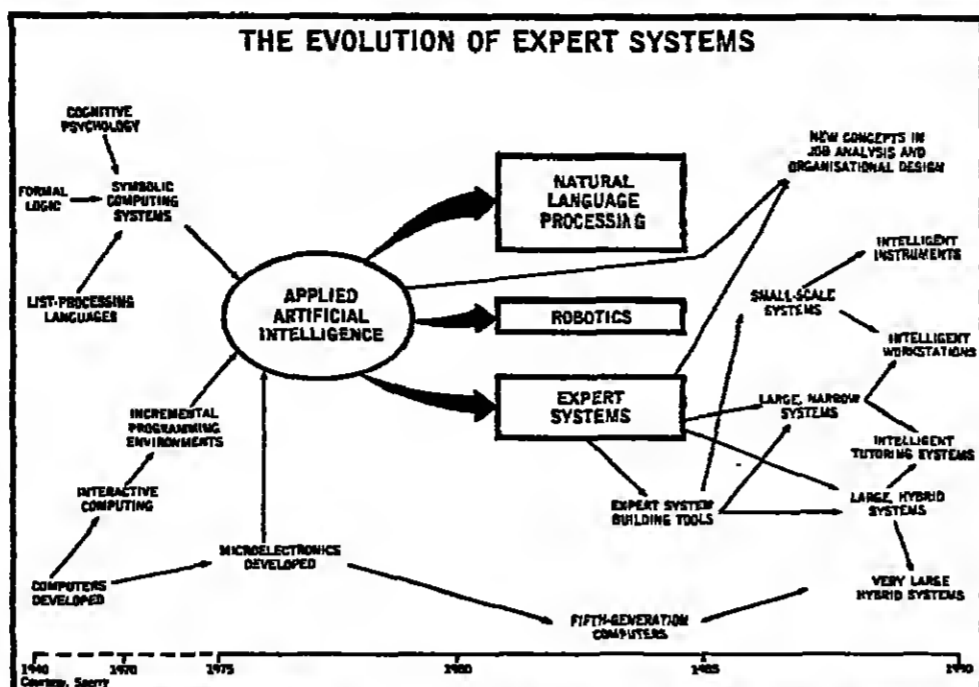
According to Mathias, MCC in only three years has grown into one of the US's major technical consortia. He sees it as "an experiment that may have a profound effect on how American companies in the computer and electronics industries go about conducting some of their future technology activities."

The 21 member-companies (shareholders) of MCC have formed a consortium for common research programmes, the results of which they are free to apply to their own in-house product development or design.

By US law, however, MCC is forbidden to develop products. MCC is now on the campus at Austin University in Texas. This year it has a research budget of about \$65m, almost 400 employees, and seven research programmes at the frontiers of computing technology. It is funded entirely by its own shareholders and will accept no government contracts.

Already its success has encouraged the creation of other research consortia, such as the Semiconductor Research Co-operative, Mathias says. He is a member of MCC's technical advisory board, on which sits a representative of each shareholder.

Provided they support at least one, shareholders are free to choose which of MCC's four main research programmes they will back. The four big programmes are in computer archi-



Left: Dr Joseph Mathias, Vice President research and technology at Sperry. Right: Mr Abe Armoni, Technical Marketing Manager at Sperry's European centre for Artificial Intelligence in Madrid.



But has the experiment been a success? It is too soon to say—still an experiment—but one that appears to be working, he says. Sperry cannot yet claim to have got value for money. According to John Loomis, Sperry's director of long-range planning, MCC has already cost Sperry about \$30m in entrance fee and research support from 1983-87. "My big problem is to convince our management to keep the investment in MCC going," Dr Mathias admits. He believes Sperry is already doing things in-house it would not be doing except for the stimulus of MCC. Burroughs, Sperry's new partner, however, is not a shareholder in MCC. It was invited to join at the start but declined. In-house, Sperry has organised a centre of AI activity at Bloomington, Minnesota, called its Knowledge Systems Centre. This focuses all corporate AI interest, civil and military. It reports directly to a main board director, Joseph Kroger. It has also set up a corporate centre in Reston, Virginia, engaged in research and applications of AI.

Market niches for industrial programme makers

BRITISH television and China are currently in the news with a major deal in which the BBC is selling programmes to China's national TV network: an arrangement financed through industrial advertising and sponsorship—with 300m viewers in prospect.

There is, however, another marriage of television and China with—for at least one man—a more exciting prospect in view: he is "the deodorant salesman who sees China as 2bn armpits." The quote comes from a new two part video programme, *The China Business Briefing*. Despite this somewhat tasteless line, the training pack—complete with booklet—is a generally excellent example of the kind of material now available for the businessman or industrialist seeking specialised information via video.

The concept of targeted information like this is not new. The Financial Times itself made a 16mm film many years ago on how to do Business with the Japanese. The China pack is, however, supported by sponsorship from Standard Chartered Bank, British Telecom and International Herald Tribune. Because no self-respecting company of size is nowadays without a VCR, the ease with which moving pictures can be seen on video has opened up an extraordinary reference library or data base for the modern businessman.

The high cost of programme production for a relatively small market is now increasingly ameliorated by sponsorship as in the China business package—and in a new information technology programme from Price Waterhouse, *The Organisation*. The latter is a dramatised account of a company upgrading its computer network; but it is from the school of talking heads, a style far less compelling than the lively visual appeal of the China briefing.

The assumption that the message alone will carry the loyalty of any viewers in search of knowledge is dangerous, and nowadays more video programmes are achieving the quality and impact of broadcast television.

Using video as an information resource now makes consider-

able sense, especially for anyone working in Britain—which has an extraordinary track record in the documentation of moving pictures and the application of them to education and learning. The classic example of this remains the *British National Film & Video Catalogue*, which in its 1985 annual volume listed details of no less than 3,234 films and videocassettes newly available to users. In variety, these will not fail to meet the most esoteric needs for moving pictures on specialised subjects: contact lenses, the textile industry in the USSR, consumer law, snakes (the one from Taiwan), the Poisson process (not fish, but a mathematical model in statistics), marine navigation, wind tunnels, judo, squash, cricket—even a few about prostitution.

FILM AND VIDEO

by John Chittock

Library. Some programmes are broadcast material re-issued on videocassettes (eg Channel Four's *The Living Body Series*; *Third World Debt* from LWT). Many others come from sponsors, and more recent releases of this kind that will surface in next year's catalogue include such unlikely subjects as armoured vehicles from Alvis, the first of twice-yearly reports by the Prison Officers' Association, and a 30-minute video from the DHSS to describe a new British government initiative to help long-stay patients to leave hospital and rejoin the community.

It is not only the technology of video which is encouraging the proliferation of unusual subjects. The policy of Channel Four in catering for minority interests on broadcast television has helped to raise the stature of the specialised programme-maker. No longer is drama or entertainment the trendy thing to be doing. Thus, coming early next month for British viewers, a Channel Four documentary about the impact of computers

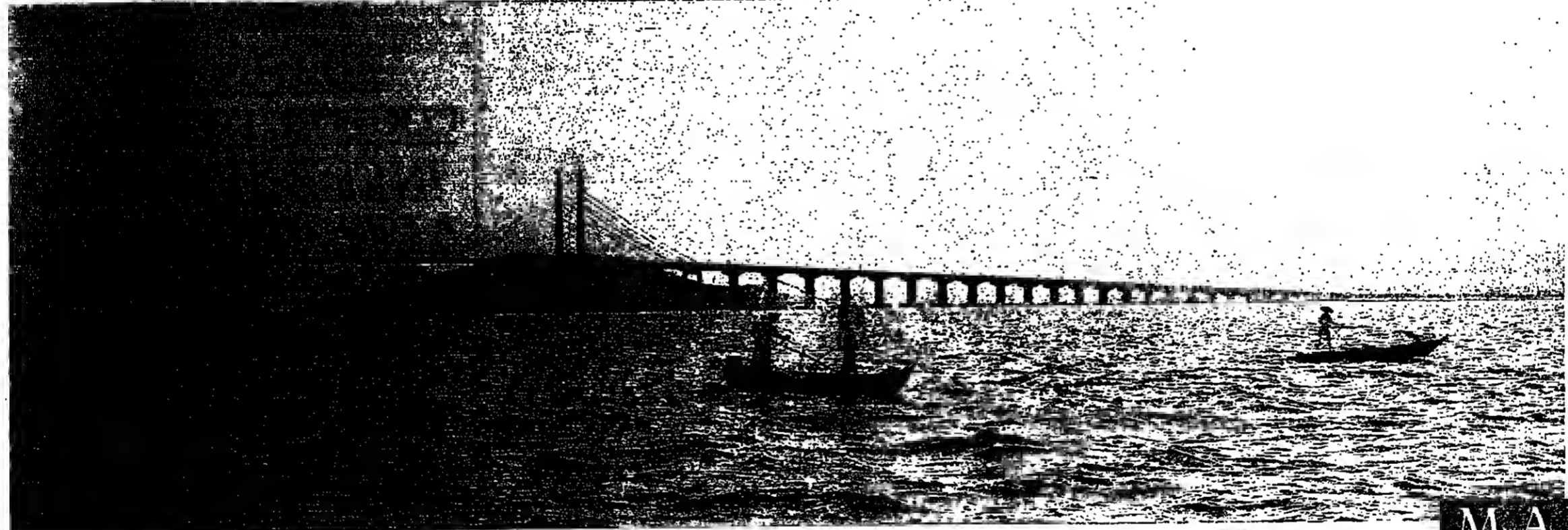
ICI selected Husky for plant research. Find out why on Country (1985) 66881. HUSKY MANUFACTURERS OF THE WORLD'S MOST POWERFUL HAND-HELD COMPUTERS.

on people's jobs—and how companies introduce new technology to their workers. This particular offering—*We also Need Fred and Bill*—uses advanced publicity to remind us that the effect of new media on business is not peculiar to the 1980s. The story is told in its press release of a New York undertaker in 1910 who was losing business, despite a healthy death rate; the reason—his rival a block away had installed the latest piece of information technology—a telephone.

An important phenomenon created by the rise of the specialist audience and its accessibility to producers is the use of the medium as a political weapon by minority groups. Politicians have used film ever since Lenin said: "Of all the arts, for us film is the most important." But film has been expensive and only available to those with money and the means of distribution. Video has dramatically changed that with programmes in Britain which have argued the case for the miner's strike, CND, Greenham Common protesters, government cuts, and a range of trades union issues.

These low-cost messages are becoming more professional too, as a sampling of one of the latest exemplifies. *Northern Newsreel* is a quarterly video bulletin "for the labour movement and community organisations." The second issue covers topics such as the UK Government plan to privatise water works, racism at work, unemployment and US "aggression." Well-made and generally well-argued, this programme should make the right wing sit up and take notice; because video is becoming the medium of the left, providing a direct channel of communication with the electorate.

But party politics apart, the collective views of business and industry—especially in a capitalist society—are also thinly represented in what is available on video. It is almost as if issues beyond the factory gate are unimportant. When future historians place more dependence on moving pictures as a research resource instead of literature—as surely they will—whose view of our times will emerge with the greatest credibility?



MALAYSIA

LONGEST STRETCHES IN THE BUSINESS

The spectacular Penang Bridge, stretching a full 13.5 km, is Asia's longest bridge. This celebrated landmark is also a most effective business link between Penang and Peninsular Malaysia.

When you fly MAS Golden Club Class, you can also look forward to the longest stretch in business class. With our wider, more comfortable seats that offer extra legroom and greater recline. A spacious private cabin where you can enjoy a choice of three main courses with our excellent wines. Accompanied as always by a gentle charm that can only come out of Malaysia.



MAS GOLDEN CLUB CLASS IS AVAILABLE TO: AMSTERDAM • BANGKOK • DUBAI • FRANKFURT • HONG KONG • KUALA LUMPUR • LONDON • LOS ANGELES • MADRAS • MELBOURNE • PARIS • PERTH • SEOUL • SYDNEY • TAIPEI • TOKYO • FOR RESERVATIONS CONTACT YOUR FAVOURITE TRAVEL AGENT OR MALAYSIAN AIRLINE SYSTEM OFFICE, ALLIANCE HAUS, AM DER HAUPTWACHE 7, 6000 FRANKFURT AM MAIN 1, WEST GERMANY TEL. 069 25 53 45 4 5

FLY MALAYSIAN. WE'LL TREAT YOU LIKE GOLD.



FT COMMERCIAL LAW REPORTS

UK NEWS

Digest of cases reported in the Trinity Term

FROM JUNE 3 TO JUNE 25 1986

Armagas Ltd v Mundogas SA (FT, June 3)

By a contract of sale Mundogas agreed to sell a ship to Armagas. Mr Magelissen, Mundogas's vice-president and chartering manager thereupon signed, purportedly on behalf of Mundogas but without authority to do so, a three-year charterparty with Armagas. He had Mundogas's authority only to enter into a charterparty for a year. When Mundogas tendered redelivery to Armagas after 12 months Armagas refused to accept it. In upholding the Court of Appeal decision that Mundogas was not vicariously liable for Mr Magelissen's deceit, the House of Lords stated that his employers were not contractually bound by his signature because they had done nothing, either by words or conduct, to induce Armagas to believe that he was acting in the lawful course of their business.

Alden Shipping Co Ltd v Interbulk Ltd (FT, June 4)

In a dispute involving a charterparty and a sub-charterparty, the charterers were held liable to the owners and the sub-charterers to the charterers in two separate arbitrations. The owners unsuccessfully applied for a remission and the charterers sought the same relief in the sub-arbitration. These motions were heard together. The judge awarded costs against the owners that included the charterers' costs to the sub-charterers. In allowing the charterers' appeal against a Court of Appeal decision that costs under section 5 of the Supreme Court Act 1981 could be awarded only against the

actual parties, the House of Lords held that it was in the interests of justice that a court's jurisdiction to make a global order for costs should be unfettered.

J. Barber & Sons v Lloyd's Underwriters (FT, June 6)

The use of a video recorder to record the evidence of four Lloyd's underwriters was not so inimical to English procedure that a request of a Californian court for depositions in this form ought to be refused, Mr Justice Evans said. Although video recordings of evidence given in English courts were not permitted, proceedings involving examination of witnesses outside court were not necessarily limited to the permitted methods of recording proceedings in court. In the present day and age it was an appropriate method of recording evidence, though supplementary to a written transcript. Moreover, he could not uphold the defendants' claim that the presence of a camera would oppress them and cause additional stress.

Lipkin Gorman v Karpmale Ltd and Another (FT, June 10)

Where a partner in a firm of solicitors was a compulsive gambler, using the firm's funds to pay for his losses, the firm's bank manager could be fixed with constructive knowledge on the grounds that he (a) wilfully shut his eyes to the obvious, and/or (b) wilfully and recklessly failed to make such inquiries as an honest and reasonable man would have made in the circumstances. However a contractual relationship between

the bank and the firm did not necessarily exclude contributory negligence. The firm itself was in part to blame for its losses by failing to take adequate steps once it had stumbled on its partner's dishonesty, Mr Justice Allott held.

SN Krkijan (Commodity Brokers) Ltd v Marketing Exchange for Africa Ltd (FT, June 11)

In a motion by one of the parties to an arbitration appeal to set aside or remit the award which dealt with fees and that part of the expenses on the grounds that 276 an hour for board members was much too high, Mr Justice Staughton stated that the court would not intervene unless (i) it was satisfied that the fees could properly be described as extravagant; or (ii) it was apparent that the umpire seriously misunderstood his duty as regards the assessment of fees. On the question of the taxation of the legal adviser's fees, however, the board members could be said to have seriously misunderstood their duty by failing to ask for a detailed bill and examining it carefully. This part of the award comprising the charges of the legal adviser was to be set aside.

Eurico SpA v Philipp Bros (FT, June 13)

The sellers of a cargo of rice, bought while still afloat, undertook to discharge the cargo at "one main Italian port to be declared." The charterparty also stipulated that discharge was to be the responsibility of the buyers who were to pay demurrage if laytime was exceeded. The buyers declared

Ravenna as discharge port although the vessel's draft would not allow her entry. In allowing an appeal by the buyers against an arbitral decision that they were liable for demurrage, Mr Justice Staughton held that the sellers, having undertaken that their nominated ship was capable of entering all main ports, were in breach of contract if the buyers nominated a port which their vessel could not reach.

Sun Life Assurance of Canada v Pearson (HM Inspector of Taxes) (FT, June 17)

The Court of Appeal upheld a first instance decision that Sun Life of Canada was liable for corporation tax based on a fraction of average liabilities to UK policy holders over the average worldwide. Article 8 of the UK/Canada Double Taxation Treaty 1967 expressly saved provisions of UK law relating to the tax liability on investment income of an overseas life assurance company, while section 316 of the Income and Corporation Taxes Act 1970 provided that this income should be deemed to be "profits" chargeable to corporation tax with provision for apportionment. The historic background seemed consistent with a wide interpretation of "profits" indicating that it meant income.

Re Charge Card Services Ltd (FT, June 18)

Where a customer makes a payment for goods by credit card the essence of the transaction is that the supplier and customer have, for their mutual convenience, each previously

arranged to open an account with the same company. Mr Justice Millett held in refusing to allow two garages to claim for petrol supplied directly against the card holders of Charge Card Services Ltd, which had become insolvent. The supplier and customer agreed that any account between them might be settled by crediting the supplier's account and debiting the customer's account with that company. Thus, the process did not depend on the company's solvency. The customer was discharged, at the latest, when the supplier's account with the company was credited, not when the supplier was paid.

Hennessy v Grainger & Co Ltd and Ases (FT, June 20)

After disagreement with his employers, Mr Hennessy, on the advice of a conciliation officer, agreed to accept a lump sum in settlement of all claims. Thereafter he brought his complaint before an industrial tribunal on the ground that his agreement was reached under economic duress, as well as purporting to exclude the statutory employment protection provisions. The Court of Appeal held that while the common law recognised economic duress as a basis for avoiding a contract, it had to be shown that the will of the contractor was overborne, so there was no real alternative open to him. In fact there was a very clear alternative available to Mr Hennessy, namely to complain to an industrial tribunal and to draw social security meanwhile. In re Multi Guarantee Co Ltd (FT, June 24)

Vallances, an electrical goods chain, reached agreement to market extended warranties for domestic appliances. Pending the outcome of a Lloyd's report on Multi Guarantee's cover, money paid as customers' premiums was placed in a joint deposit account operated by the solicitors of both companies. Thereafter Multi Guarantee was wound up. In upholding a first instance decision that the money should go back to the liquidator of Multi Guarantee, the Court of Appeal stated that on the totality of the evidence, Vallances had failed to show that when Multi Guarantee transferred the money into the joint account, it effectively divested itself of all beneficial interest therein.

Re AGA Estate Agencies Ltd (FT, June 25)

Although section 353 (8) of the Companies Act 1948 allowed for the restoration to the register of a company that had been struck off, a petitioner had to show that he was a member or creditor at the date when the company was dissolved, Mr Justice Harman stated. AGA Estate Agencies Ltd was no longer in existence when the petitioner lent money in August 1972 to a freestater who had once controlled the company. Thus, although there was a freestater property registered in the company's name that, if sold, could satisfy the petitioner's genuine claim, he had no locus standi to petition under section 353(8). This digest of Trinity Term cases will continue tomorrow and concludes on Friday.

By Aviva Golden

Freeports struggle to pass the test of survival

BY ANTHONY MORETON, REGIONAL AFFAIRS CORRESPONDENT

A CRISIS at Britain's freeports could have been predicted from the day that they were launched. They faced indifference from the Government, strong opposition from the Civil Service bureaucracy and the worst disadvantage of all - a need to demonstrate equal treatment of location between England, Northern Ireland, Scotland and Wales.

The result is that of the six freeports announced in February 1984 only two have had any measurable success, one has not started to market itself and three are in deep trouble.

In theory, freeports offer a panacea for many trading problems. They are areas in which goods may be imported, processed and re-exported free of all customs duties. Goods produced or assembled in them attract duty only if they are later shipped into the country in which the freeport resides.

A typical freeport activity might be the import of a piece of hi-fi equipment from the Far East into a British zone. After packaging with literature printed in the language of the country of destination, the goods are then shipped on.

Most freeports operate in the US, Latin America and the Far East where they are big employers of labour. The two zones in South Korea are said to employ more than 120,000 people and others in Taiwan, Singapore, Mexico, the US and Colombia may employ up to 80,000.

The last of the six, Birmingham, has still to come into operation. The operator, Slough Estates, which is backed by the Prudential, has spent the past two years putting in the infrastructure and is only now about to market the port. Dr Boyle blames Customs and Excise for the failure of the freeports to make any impact.

"The department has rigidly interpreted the rules and regulations that apply to us. They have always maintained that freeports were not necessary in the UK since Britain was, in effect, itself a freeport. They said duties could be offset when goods were exported."

In order not to be proved wrong they then saddled freeports with bureaucratic regulations which have discouraged people from coming in," Dr Boyle said.

That is, however, only part of the reason. The Government itself was lukewarm towards freeports and was forced into accepting them by MPs' pressure. It has, therefore, been unsympathetic to pleas for a loosening of the Customs regulations. On top of this, the Government appears to have undermined freeports by choosing the wrong ones in the wrong places.

This is a sentiment echoed by Mr McClenaghan in Belfast, who is

hoping that the Government will change the tax rules to make the zones more attractive to investors.

The future is equally bleak at Prestwick, where Dr James Boyle, chairman of the freeport, says that "development has been much slower than expected." Dr Boyle is now considering whether it might not be better to pull down the security fence behind which the freeport operates - or should operate - and simply run the area as an industrial estate.

British trade is now increasingly geared towards Europe. The logical place for freeports was, therefore, on the east coast. Yet none is there.

Two freeports - Liverpool and Southampton - can claim a measure of success, however.

Mr Frank Hohnthahn, manager of the Liverpool zone, says that in the first year after it opened in December 1984, the area handled 40,000 tonnes of cargo worth £24m. In the first six months of this year those figures rose to 75,000 tonnes and £36m.

At Southampton, Mr Andrew Kent reports that since the start of operations in January this year the freeport has traded with 30 countries and business was "quite encouraging." However, neither has created a significant number of jobs or a number of new arrivals, in work terms, development is slow at both places.

The last of the six, Birmingham, has still to come into operation. The operator, Slough Estates, which is backed by the Prudential, has spent the past two years putting in the infrastructure and is only now about to market the port. Dr Boyle blames Customs and Excise for the failure of the freeports to make any impact.

"The department has rigidly interpreted the rules and regulations that apply to us. They have always maintained that freeports were not necessary in the UK since Britain was, in effect, itself a freeport. They said duties could be offset when goods were exported."

In order not to be proved wrong they then saddled freeports with bureaucratic regulations which have discouraged people from coming in," Dr Boyle said.

That is, however, only part of the reason. The Government itself was lukewarm towards freeports and was forced into accepting them by MPs' pressure. It has, therefore, been unsympathetic to pleas for a loosening of the Customs regulations. On top of this, the Government appears to have undermined freeports by choosing the wrong ones in the wrong places.

This is a sentiment echoed by Mr McClenaghan in Belfast, who is

Westland - gathering pace to a new future..
..the world helicopter speed record!

A Westland Lynx has just beaten the world absolute speed record for any helicopter. The record is a direct result of an exciting development programme of revolutionary rotor blade technology in which Westland is the world's leader and which should lead to significant export business. Dramatic improvements in blade profile design and composites technology mean much more than the obvious benefits of high speed, they considerably increase manoeuvrability and virtually eliminate conventional maintenance problems and costs. They can also improve existing helicopters by retrofitting the new blades. Such technology is one example of Westland's commitment to improving helicopter and other defence equipment and systems engineering absolutely essential in today's highly competitive markets. This achievement was with the support of the Ministry of Defence and many companies in the aerospace industry. Our partnerships and programmes in Europe and North America demonstrate Westland's international strength.

*Results subject to official confirmation



WESTLAND TEAM TECHNOLOGY

Westland Helicopters Limited, Yeovil, England

Over thirty British based companies have actively supported this achievement.

ROLLS ROYCE	PLESSEY	BP	GEC AVIONICS	CIBA-GEIGY	LOCTITE	Page	PPG	Louis Newmark	TORRINGTON FAFNIR
FPT	Castrol	RACAL	DOWTY	Fairey Hydraulics	Shell Oils	CLARKE CULLEY	Darshan Aero	Jecco Aviation Ltd	TRAFFICAIR

FILL IN THE COUPON. THEN FILL IN CHEQUES FROM A DEPOSIT ACCOUNT THAT PAYS OVER

9.3% INTEREST.

If you have sterling funds to invest, find out about the Sterling Money Account managed by offshore bankers, Tyndall & Co (Isle of Man) Ltd.

You earn high interest (the result of Tyndall Group's muscle in the money market) and enjoy the convenience of a cheque book for all normal banking services, including instant access to your funds, and payment of large bills (minimum cheque £250). The account can also be used for standing orders.

Investment is in UK banks, local authorities and building societies. Interest is credited four times a year, with the interest itself earning interest to give you an even higher return (currently 9.71%). Post the coupon for details.

To: Tyndall & Co. (Isle of Man) Ltd, Dept PO Box 62, Tyndall House, Kensington Rd, Douglas, Isle of Man, U.K. Tel: (0624) 29201. Telex: 628752. Please send me details of Tyndall Money Accounts. Sterling US Dollar

Name _____

Address _____

Tyndall & Co. (Isle of Man) Ltd

Handwritten signature or mark at the bottom of the page.

Shop spending trend still firmly upwards

BY GEORGE GRAHAM AND TONY JACKSON

BRITAIN'S shoppers continued their spending spree last month and retailers expect their sales to be even higher in August.

Retail sales in July were the second highest ever, the Department of Trade and Industry said yesterday, although still 1.3 per cent lower than June's record volume. Sales volume was 4.3 per cent higher than in July 1983, and officials said the trend was still firmly upwards.

In the three months from May to July retail sales volume was 1 1/2 per cent higher than in the previous three months and 4 per cent higher than in the corresponding period of 1983.

Retailers questioned by the Confederation of British Industry also reported buoyant sales last month. The July CBI/FT survey of the distributive trades showed the fastest sales growth since November, with even faster growth anticipated in August.

Sales of household goods remained strong, officials said, although sales of food, clothing and footwear had weakened. The CBI/FT survey, however, detected healthy increases in sales by grocers and shoe shops, and found that grocers and sellers of household durable goods were the most optimistic about sales in August.

The consumer sector has been the major focus of UK economic activity so far this year and is expected to provide the mainstay of growth. Consumers have had more to spend in real terms as average earnings, rising at an underlying rate of 7 1/2 per cent a year, have outstripped retail price inflation, now down to 2.4 per cent over the past twelve months.

Although the DTI covers far more retailers than the CBI/FT survey, some analysts yesterday doubted that retail sales had really fallen from June to July, as the Department's provisional figures suggest. They thought that the DTI probably overstated June's sales volume.

By value, sales in July averaged £1.775bn a week, compared with only £1.74bn in June. Although this would be consistent with higher sales volume in June if prices were cut then for summer sales, several retailers said that they had delayed their sales this year into July.

Survey's findings Page 8

TORY GROUP SEEKS ACTION TO LOWER RIOTS RISK IN DEPRIVED AREAS

Call for cash to aid inner cities

BY MICHAEL CASSELL, POLITICAL CORRESPONDENT

THE GOVERNMENT will have to take further urgent action to improve conditions in Britain's inner cities if it wants to avoid more riots, according to the Tory Reform Group.

The group, which represents moderate opinion within the Conservative party, says that the Government has made a start on tackling the country's inner city problems, but it argues that more money will have to be spent to overcome a catalogue of problems which still exist.

In a report on inner cities, Mr

lain Pickton, chairman of the group, claims the fabric of the nation is "embarrassingly tatty, unkempt and in parts positively slum-like."

Mr Pickton criticises Mr Nicholas Ridley, the Environment Secretary, for cutting back housing expenditure from the levels requested by Mr Kenneth Baker, his predecessor. He adds: "There are hundreds of thousands of skilled but unemployed building workers and countless firms, large and small, willing to take them on, if they had the work. Add Government expenditure, limited and targeted, and you have a recipe that not only reduces unemployment but also improves stock and housing deprivation. It is crying out to be done and the Government must act."

The group, which is currently compiling its own proposals for the revival of inner cities, says the list of inner urban problems is now "depressingly familiar." It cites "crumbling infrastructure, poor housing and decaying environment" and says that the migration of workers from the cities, has left behind an underclass of the very old, the very

UIE to make half of workforce redundant at offshore rig yard

BY CHARLES LEADBEATER

UIE, the offshore rig yard on Clydebank in Scotland, will in the next few days make over half its 520 full-time workers redundant, the company announced yesterday.

About 280 full-time workers will be issued with redundancy notices after talks between the yard's management and unions broke down yesterday afternoon.

Workers will hold a mass meeting tomorrow morning to decide on their response to the company's announcement.

UIE, owned by the French group Bouygues Offshore, said last night: "A restructuring plan is necessary for the yard to remain viable and creditable at a lower level of activity."

The company said the redundancies were forced upon it by the contraction in oil exploration and drilling which had followed the oil price fall.

Although the yard is bidding for two new contracts, it does not expect to generate enough work to keep on all the permanent workforce of 520.

Three contracts, including one of the largest rigs yet built, the Mr Mac, will be completed in the next few months.

The trade unions say the company is breaking an agreement re-

vised in October last year that it would maintain a permanent workforce of 520 even when work was slack. Between 850 and 900 staff at the yard are employed on short-term contracts.

Union convenors at the yard had argued that these temporary workers should be laid off before any permanent workers were made redundant. They say this has been the normal practice with past redundancies.

This will be the third cut in the permanent workforce since 1980, when the yard had a full-time out-let of 1,250. The convenors maintain that with a permanent workforce of around 250 the yard will no longer be a major rig builder.

The yard, formerly owned by Bouygues Offshore two years ago. It has had four owners since the early 1970s.

The redundancies are the latest in a series which have hit the offshore sector in recent months.

Workers at Smiths Dock in Middlesbrough, north-east England, yesterday voted overwhelmingly to call off their fight to keep the yard open. Over 80 per cent of the workforce voted to accept the severance terms offered by state-owned British Shipbuilders.

F International shows record rise in profits

BY ROMA THOMPSON

F INTERNATIONAL, the computer software company with 817 freelance programmers, nearly all of them women, has reported a record 81 per cent increase in pre-tax profits for the year to the end of April.

On sales of £9.1m, up 20 per cent on 1985 turnover of £7.6m, the company made pre-tax profits of £215,007, compared with £240,158 last year.

Mrs Steve Shirley, managing director, who founded the company 24 years ago with a group of other

Complaints upheld over trade union ballots

BY DAVID BRINDLE, LABOUR CORRESPONDENT

COMPLAINTS ABOUT conduct of the Transport and General Workers' Union's (TGWU) controversial executive council elections last winter have been upheld for a third time by the Government's Certification Officer.

After earlier rulings on ballot irregularities in London and in the south-west of England the officer reported yesterday that there had also been shortcomings in the elections in the western Scottish division.

This latest report indicates the extent of defects in the organisation of TGWU elections before improvements were agreed. The complaint happened to fall between two union branches, both of which failed to meet their obligations under the Trade Union Act.

The Certification Officer, who is responsible for overseeing union elections covered by the Act, found that Mr Robert Haggarty, the complainant, had been deprived of a vote in each branch.

TUC helps mineworkers meet strike costs

BY PHILIP BASSETT, LABOUR EDITOR

TRADES UNION Congress (TUC) leaders yesterday decided to donate to the South Wales area of the National Union of Mineworkers (NUM) £35,000 to help meet legal costs arising out of actions brought against the area in the 1984-85 coal dispute.

The decision by the TUC's finance and general purpose committee illustrates its continuing readiness to assist unions in difficulty with the Government's labour legislation.

The donation does not affect the NUM's national standing claim for £500,000 financial assistance from the TUC to help it over the cost of the year long coal strike.

Though both the TUC and the NUM insisted publicly when the request was considered by the committee in June that the TUC had not rejected the claim, the TUC has still not acted upon it and shows no signs of doing so.

At the time, the TUC told the NUM that its claim could not be met from the TUC's fighting fund set up in 1983 to help defeat Conservative employment legislation, but that if there were any areas of costs

which fell within its provisions, the committee would be ready to consider them.

Yesterday's money is drawn from the 1982 fund, and relates specifically to the legal action brought in the strike against the South Wales area under the 1980 Employment Act.

The action, brought by a Gloucester-based road haulage company, was aimed at lifting picketing, and when it was not complied with, the area's funds were sequestered.

The NUM told the TUC that keeping the area afloat financially during the sequestration had cost the national union substantial sums. The £35,000 voted on yesterday is in addition to £50,000 voted earlier for the area in respect of the same case.

In a separate development, the TUC decided to give £50,000 to the general print union Sogat to help defray its legal costs arising out of News International's dispute in East London.

The donation of the money was made after receiving an appeal for assistance from Sogat.

MP threatens boycott of Nissan opening

BY MICHAEL CASSELL

NISSAN's official opening ceremony of its car plant in the north-east of England will be boycotted by a Labour MP if the ceremony next month is performed by Mrs Margaret Thatcher, the Prime Minister, Michael Cassell writes.

Mr Roland Byes, MP for Houghton and Washington, in whose constituency the plant is located, said: "I would not sit down with Mrs Thatcher, whose policies have led to so much unemployment in my area."

Nissan said it declined to say who would be opening the plant "for reasons of security."

□ MERCANTILE House Holdings, the UK financial services company, and its stockbroking subsidiary, Alexander Leung and Cruickshank, are to set up a securities dealing company in Hong Kong for UK and other international institutional investors.

The company, which will have £100 million of capital (£1.7m) will be a joint venture with Winstan Securities, a Hong Kong stockbroking firm whose clients are mainly Chinese small investors. Each company will have a 50 per cent stake.

□ SIX of the leading UK timeshare holiday developers have announced a compromise of standards after recent criticism of some sales methods. The Timeshare Developers Group has agreed that documentation must be clear and legally verifiable. There will also be a minimum five working day cancellation period.

□ THE DEPARTMENT of Energy published a guide to solar radiation in 13 cities, intended to help architects to harness the sun's energy for heating.

Mr David Hunt, minister for renewable energy sources, said: "Direct solar design is economic and popular in the lighting and building of houses and offices."

The book, Climate in the UK, is available from HMSO at £19.95.

□ SEVEN former Kvaerner Motor car and commercial vehicle dealerships are being closed and 120 staff made redundant after the group's takeover by Ford, Kvaerner and Millbourn in May. Closures represent about 80 per cent of the old Kvaerner retail network.

Doctors to pay more for claims cover

By Hazel Duffy

HOSPITAL doctors and general practitioners employed by the National Health Service will be paying higher subscriptions next year for insurance to cover them in the event of damages claims.

The Medical Defence Union and the Medical Protection Society announced yesterday that they were raising their subscription rate for doctors from £350 this year to £370 in 1989. The two associations provide cover for more than 100,000 doctors and dentists in the UK.

The increase does not apply to dentists nor to doctors with less than seven years in practice or certain minority categories within the profession.

Doctors find themselves joining other professions which are facing big rises in professional indemnity insurance premiums. The problem is most acute for accountants, with some big firms facing 100 per cent increases this year.

It stems from the increasing difficulty that brokers have in placing insurance in this category arising from nervousness over big claims against auditors in the US and two large claims by the UK Government and the Bank of England over De Lorean car company and Johnson Matthey Bankers.

Solicitors and architects face similar problems although their premium increases and difficulty in getting adequate cover have not yet reached the proportions faced by accountants.

The doctors' subscriptions rise relates to two factors: the growing tendency of the public to resort to litigation and the size of settlements imposed where the plaintiff is successful.

Dr Kathleen Allsopp, deputy secretary of the Medical Defence Union, said yesterday: "The trend in damages awarded by the courts, or agreed between parties out of court, is rising steeply. In 1981-82, the largest sums were under £400,000. In 1985/86, they were nearer £700,000."

The process of settling personal injury claims is also painfully slow with the result that procedural costs are going up. Settlements today often go back to cases of negligence that occurred 10 years ago.



Share and share alike

If you like, you could share in a bank. The TSB Group is looking for as many shareowners as possible, among people in all walks of life.

Next month, the TSB Group Share Offer will be made to the public. And we hope you'll consider it most carefully. The minimum investment you can make will be about £400, payable in two instalments: about £200 now and the remainder in about 12 months' time.

(If you're a TSB bank customer and register priority, your minimum investment will be about £200, similarly payable in two instalments.)

If you hold on to your shares for 3 years, you'll receive one bonus share for every 10 you own, (up to a maximum of £5000 worth of your original investment).

The price of the shares will be announced shortly. And so will the exact dates of the offer.

For further information, a prospectus and application form (without the slightest obligation) send in the coupon, call at any branch of the TSB or phone 0272 300 300.

Now it's your turn to say yes.

Issued by Lazard Brothers & Co., Limited, through the TSB Group Share Information Office, on behalf of the Trustee Savings Banks Central Board.

The TSB Group Share Information Office, PO Box 330, Bristol, BS98 7TT. Please send me, without obligation, information about the TSB Group Share Offer.

Name

Address

Post Code

If you hold an account with a TSB bank please tick the box.

TSB GROUP

1 9 8 6

THE ARTS

Fanciulla and Aida/Verona

Max Loppert

Opera in the Roman amphitheatre at Verona sets the standard by which all other such summer ventures are measured.



Giorgio Casellato Lambertini as Dick Johnson

There is, of course, a central artistic question to be asked of each Verona production: has the director simply settled for the predictable, tourist-conscious Big Outdoor Show, or has he taken that inevitable starting-point as inspiration for some more adventurous vision?

Zefferi, and designer, Luciano Ricceri, rose bravely to Act 3, setting scores of male chorus members scuttling up and down the (reasonably faked) mountain pathways and wooded valleys that lined the acting space—the choral-fresco side of the opera, one of its most appealing (because unfamiliar)

Puccinian) aspects, really gained here. But elsewhere the vastness of available space was a problem to be solved—always with care, not always with satisfactory resolution.

Yet all the same the difference between this opera and what the composer himself called "Bohème, Butterfly & Co" was made newly and splendidly clear by the heartfelt involvement of all concerned.

In an opera so dependent on its large male cast and chorus, a good collection of Italian superstars is a must.

Olivia Stapp was the heroine, touching, believable, and very secure.

tenor rang out very dashingly — "Ch'ella me creda" was repeated, a just-forgivable lapse into another kind of traditionalism.

The current Verona Aida, an historically accurate re-creation of the 1913 Verona original, has gained wide fame through its publication on video; next year in Verona, a cast of not-so-golden oldies was no help.

Involvement was invited by Gwyneth Jones in the title role, a single pinpoint of emotional warmth amid the huge cardboard doings achieved elsewhere.

Baroque glories of Dresden's Augustan age

In February 1768 Goethe visited Dresden, the capital of Saxony, and walked into the renowned Royal Picture Gallery.

arranged in a number of sections which aspire to the original setting at the court museum: the picture, marble and medals collection, the prints and drawings, the armory, the manufacture of Meissen porcelain and the relevant Chinese collection, and the cabinet of jewels and treasures called the "Green Vault."

The rise of the arts at Dresden had its basis in the wealth created by the expanding textile industry and above all by the vastly increased levels of silver mining.

Abandonment of the boy Moses on the Nile, enacted by statuesque figures in a heroic landscape, a work of repose and clarity. The court had an obvious liking for Ferrarese painting with its magical, dreamlike qualities.

The reproduction of Glyndebourne's Simon Boccanegra at the Proms on Sunday night in a semi-staged concert performance was only a semi-success.

Now the grey and sprawling steel-city of Essen is the unlikely site of another major Dresden retrospective. The rather forbidding residence of the Krupp family Villa Hügel, a stridently modern hill above an artificial pleasure lake created out of the Ruhr River and thus remote from the drabness of the city, hosts one of the most magnificent exhibitions to be

the music of Bach, the sculpture of Permoser, the porcelain of Böttger at Meissen, the organa of Silbermann, the early writings of Winckelmann, Italian and German architects changed the face of Dresden; Bellotto arrived to record it for posterity.

The silver mines enjoyed royal patronage in the highest degree; one particularly rich mine had a commemorative medal coined which shows in the most intricate detail all the underground shafts. This is just one example of the attention paid to the art of silver medal making.

Barbara Cook to return to London. American singer Barbara Cook is to return to London, following her successful season at the Donmar Warehouse, with a new full-length show called Wait 'til you see her.

As the day begins you'll be in touch with the same developments your colleagues overseas are reading about. You won't have to play catch-up. And that, as we all know, makes all

the difference in the world. Between financial opportunities realized...and opportunities lost. Here are the cities where the FT is available by hand-delivery each morning.

AMSTERDAM/DELFT/EINDHOVEN GRONINGEN/DE HAGUE/HAARLEM/HEEMSTEDEN/LEIDEN/LEIDERDORP/OEGSTGEEST/RUSWIJK/ROTTERDAM/UTRECHT/WASSENAAAR

THE NETHERLANDS Your subscription copy of the FINANCIAL TIMES can be hand-delivered to your office in the centre of any of the cities listed above.

Arts Guide August 15-21

Opera and Ballet

PARIS J. Peris Eurypide by the Jean-Marie Leher company conducted by Beatrice Berast. Choreography by Willemsema (The 9pm). Auditorium des Halles, 5 Rue Saint-Eustache (4764 9080).

NEW YORK New York City Opera (NY State Theatre): The new production of Don Quixote, conducted by Mario Bernardi and directed by John Copley, and Werther, conducted by Sergiu Comissiona.

Chamber Orchestra of Europe

Andrew Clements In Mozart's E Flat Piano Concerto K271 the penetration and individuality of the woodwind was again a very positive attribute.

Simon Boccanegra/Albert Hall

William Weaver The reproduction of Glyndebourne's Simon Boccanegra at the Proms on Sunday night in a semi-staged concert performance was only a semi-success.

The Noble Savage/ITV

Andrew Clements Sooner or later someone was bound to make a film about Perry Grainger, and it is probably just as well that Barrie Gavin got in first.

Cinderella/Edinburgh Festival

Clement Crisp To turn Cinderella's story into a mime played out by dolls; to entrust the choreography to a modern dance practitioner, and cruelly to truncate Prokofiev's score: these are the dubious ideas behind the Lyon Opéra Ballet's Cinderella, seen last week at the Playhouse.

Baroque glories of Dresden's Augustan age

Günter Kowa The gallery of marbles lies the collection onto the plain of ancient Roman virtues while the mythological theme is continued in the bronzes collection.

Simon Boccanegra/Albert Hall

William Weaver The reproduction of Glyndebourne's Simon Boccanegra at the Proms on Sunday night in a semi-staged concert performance was only a semi-success.

Baroque glories of Dresden's Augustan age

Günter Kowa The gallery of marbles lies the collection onto the plain of ancient Roman virtues while the mythological theme is continued in the bronzes collection.



Cinderella/Edinburgh Festival

To turn Cinderella's story into a mime played out by dolls; to entrust the choreography to a modern dance practitioner, and cruelly to truncate Prokofiev's score: these are the dubious ideas behind the Lyon Opéra Ballet's Cinderella, seen last week at the Playhouse.

Simon Boccanegra/Albert Hall

William Weaver The reproduction of Glyndebourne's Simon Boccanegra at the Proms on Sunday night in a semi-staged concert performance was only a semi-success.

The Noble Savage/ITV

Andrew Clements Sooner or later someone was bound to make a film about Perry Grainger, and it is probably just as well that Barrie Gavin got in first.

Cinderella/Edinburgh Festival

Clement Crisp To turn Cinderella's story into a mime played out by dolls; to entrust the choreography to a modern dance practitioner, and cruelly to truncate Prokofiev's score: these are the dubious ideas behind the Lyon Opéra Ballet's Cinderella, seen last week at the Playhouse.

Baroque glories of Dresden's Augustan age

Günter Kowa The gallery of marbles lies the collection onto the plain of ancient Roman virtues while the mythological theme is continued in the bronzes collection.

Simon Boccanegra/Albert Hall

William Weaver The reproduction of Glyndebourne's Simon Boccanegra at the Proms on Sunday night in a semi-staged concert performance was only a semi-success.

The Noble Savage/ITV

Andrew Clements Sooner or later someone was bound to make a film about Perry Grainger, and it is probably just as well that Barrie Gavin got in first.

Cinderella/Edinburgh Festival

Clement Crisp To turn Cinderella's story into a mime played out by dolls; to entrust the choreography to a modern dance practitioner, and cruelly to truncate Prokofiev's score: these are the dubious ideas behind the Lyon Opéra Ballet's Cinderella, seen last week at the Playhouse.

Baroque glories of Dresden's Augustan age

Günter Kowa The gallery of marbles lies the collection onto the plain of ancient Roman virtues while the mythological theme is continued in the bronzes collection.

Simon Boccanegra/Albert Hall

William Weaver The reproduction of Glyndebourne's Simon Boccanegra at the Proms on Sunday night in a semi-staged concert performance was only a semi-success.

Letters to the Editor

Third World hunger and European surpluses

From Mr J. Lumbers
Sir—Even over summer, the international press manages to stimulate our intellectual capacities.

on the production of present surpluses would allow the world's appetite to be satisfied.

developing economy had pinned its hopes on anger only to see its way of life destroyed by a trading situation arising almost entirely from the dumping of Europe's subsidised surpluses.

ordinary taxpayer to the tweed-covered pockets of the rural elite.

Monstrous Finance Act

From Mr D. Tallon
Sir—I too would like to endorse everything that Philip Cook (August 15) and Nick Bunker (August 11) have said about this year's monstrous Finance Act and its predecessors.

who can claim any sort of comprehensive knowledge of the present huge and ramshackle structure of tax law.

ANYWHERE WILL DO SO LONG AS THE AIRPORT DUTY-FREE SHOP SELLS MY FAVOURITE WHISKY AT THE CHEAPEST PRICE IN THE WORLD

The careful traveller

From the Chairman, International Confederation of Suppliers to Airlines, Airports and Shipping
Sir—At a time when—at the initiative of the British Agency—the European Council of Ministers has finally started discussions which will hopefully give the tax-free business at airports and on ferries a legal basis, a rather negative study by the European Consumers Union (CEU) in Brussels "explodes" on the general public.

buy." He and his family will not fly to Greece (much higher air fares) in order to save, for example, £10 on perfume.

Funny money and futures

From the Chief Executive, London International Financial Futures Exchange
Sir—Your leader (August 12) commenting on proposed regulations for unit trust schemes questions the wisdom of allowing unit trusts to use futures and options, which you refer to as "funny money."

options can be used unwisely, as can any investment, but they also provide an efficient and flexible means of hedging against the risk of price fluctuations.

No shortage of runways

From the Chairman, Manchester Airport
Sir—I am sorry to see that the entrenched southeast aviation lobby is at it again in making claims about the need for more runway capacity at the London area.

lashed congested gateways. Manchester is just such a hub.

Independence of auditors
From Mr G. Simon
Sir—The suggestion that it would add to the independence of auditors if they were appointed for a non-renewable fixed period of five years is one of those ideas which reads better than it is likely to turn out in practice.

agreed tax matters still to be with the inland Revenue.

Policy not bearing fruit

From Prof F. Ormerod
Sir—Since the Government came to power, productivity growth in manufacturing has been high both by historical standards, and compared with other major economies.

falling commodity prices. Manufacturing output and employment, however, are well below 1979 levels.

Policy not bearing fruit
From Prof F. Ormerod
Sir—Since the Government came to power, productivity growth in manufacturing has been high both by historical standards, and compared with other major economies.

The significance of textiles in world trade

From the General Secretary, National Union of Tailors and Garment Workers
Sir—Your first-rate coverage of the Multi-Fibre Arrangement negotiations in Geneva over the past few months has served to highlight the significance of textiles and clothing in world trade, and the importance of these industries in the economies of the developed and developing world.

given a far greater stimulus to worldwide economic growth. It is a matter of the greatest regret that during the hundreds of hours of renegotiation no more than 30 minutes was devoted to the working and social conditions of the millions employed in the manufacture of clothing worldwide.

importing countries are entitled to expect that social development will accompany these industrial advances.

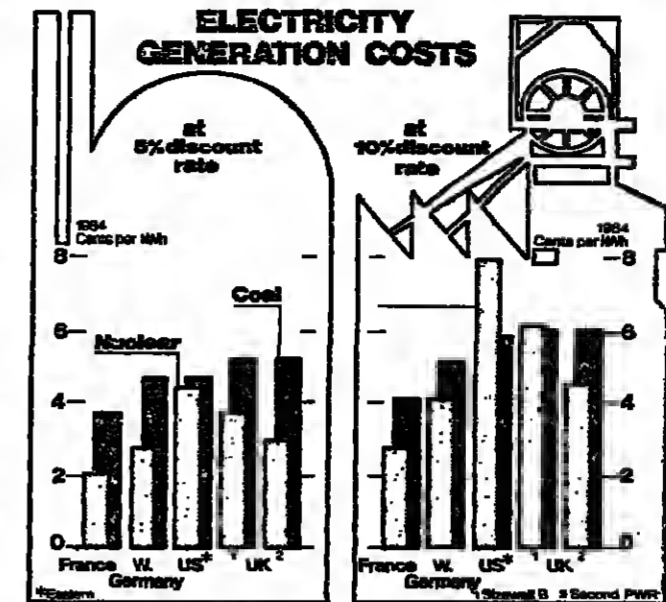
give the necessary stimulus to member nations to tackle these problems.

The Sizewell report

Old before its time

A REPORT on the nuclear power industry which ignored Chernobyl would be like a history of The Times without Rupert Murdoch.

Yet, the report on Britain's nuclear future by Sir Frank Layfield has now been delayed so long that it risks being seriously out-of-date before it is published.



However, it is arguable that the industrial world is moving into a new period of much higher rates of return than in the late 1970s, immediately before the inquiry.

The exercise started more than 2 1/2 years ago as a planning inquiry into a proposed £1.5bn Pressurised Water Reactor at the Sizewell B site in Suffolk.

In evaluating the economics of their own nuclear industries, France uses a discount rate equal to the rate of return of 9 per cent and Belgium 8.5 per cent.

Because of the semi-judicial nature of the inquiry, Sir Frank's report must be confined to the 112 pages of evidence (weighing 55 tons), the last of which was submitted almost a year and a half ago.

With a 10 per cent discount rate and coal at \$55 a tonne, the price which British Coal believes will be the ceiling this century—a coal station would be cheaper and would retain its advantage as long as the annual increase in the real price of coal was less than about 2 1/2 per cent over its 40-year lifetime.

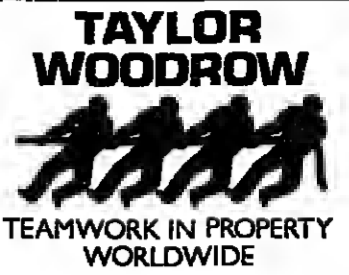
It is particularly unfortunate, therefore, that two major events have happened not merely after his inquiry was closed, but since his report was first expected, in autumn 1985.

The rise in real interest rates in the last few years, the much-improved outlook for inflation and increased company profits have raised new questions about the cost of capital for a new nuclear power station and the real rate of return that should be assumed for the project.

Since the inquiry was all in public, Sir Frank's conclusions will add no new facts to the debate, even though the report could still prove red hot politically.

This last factor is highly important to the economics of Sizewell B, even though arguments about rates of return can sometimes seem arcane.

Advertisement for Spicer and Pegler: 'Is this the biggest problem you'll face in your management buyout negotiations?' Includes a photo of a man and contact information for Spicer and Pegler, Chartered Accountants.



Cost-cutting returns Commodore to profit

BY LOUISE KEHOE IN SAN FRANCISCO

COMMODORE International, the US personal computer maker, has reported its first quarterly profit since 1984, following drastic cost-cutting measures. But lower fourth-quarter earnings at Tandy, the electronics retailer, indicate that the US personal computer market remains soft.

Commodore's net earnings for the fourth quarter ended June 30 were \$1.2m, or 4 cents a share, compared with a loss of \$1.24m, or \$3.99, in the same quarter last year. Sales for the quarter were \$203.6m, up from \$131.9m.

1985. Sales for the year totalled \$889.3m, up from \$883.1m in 1985. During the first half of 1986 Commodore cut its operating costs by an estimated 40 per cent. Increased sales of new products were also a key factor in improved earnings, the company said.

Bombardier acquires Canadair in sell-off

By Robert Gibbens in Montreal

BOMBARDIER, the Canadian heavy transit equipment, snowmobile and defence products group, will pay about C\$120m (US\$93.3m) for majority control of Canadair, the Montreal air frame manufacturer which is being privatised.

McLean losses reach \$147m

BY WILLIAM HALL IN NEW YORK

McLEAN INDUSTRIES of the US one of the world's biggest container shipping groups, which is seeking help from its bankers in restructuring its heavy borrowings following the rapid expansion of its shipping fleet, lost \$147.7m in the first half of 1986 and said it expected to lose money during the rest of the year.

Last month the group deferred payments on some of its \$1bn borrowings which it used to finance the 17 new containers ships it has acquired in the last two years. The company said at the time that the deferral was designed to stabilise its financial position and it had retained First Boston, the New York investment bank, to advise on the development of a debt restructuring plan.

Mr McLean said: "In the interim, regularly scheduled freight transportation and payments to trade creditors continue unaffected." US Lines' container business had been "a viable, profitable business, and we are confident that the company will weather the current situation." He added that the company's market share and volume were increasing and that shipping rates were rising. "Fundamentals are in place for the company to move toward profitability."

The group's second-quarter operating loss of \$29.6m compares with a \$34.3m profit in the first quarter of 1985 but was down from a first-quarter loss of \$37m. Revenues in the latest three months totalled \$305.8m compared with \$310.6m last year. For the first six months revenues rose 4.7 per cent to \$396.4m, but the group reported an operating loss of \$69.1m compared with an operating profit of \$50.5m in the first half of last year.

Anderson Clayton surplus falls

BY OUR FINANCIAL STAFF

ANDERSON, Clayton, the US food processing group facing a \$670m takeover bid from Bear Stearns and Gross & Company, yesterday reported a sharp fall in fourth-quarter net profits on a continuing basis from \$10.7m, or 68 cents a share, to \$1.2m, or 11 cents.

For the year ended June 30, there was a final net loss of \$18.8m, or \$1.37 a share, compared with net profits of \$16.5m, or \$1.30, in 1984-85.

Net income for the year was reduced by about \$5.2m of after-tax expenses in connection with the recapitalisation plan, which the company is determined to complete despite the sweetened bid from the two investment banks. The \$3.2m also includes increased pension contributions following actions taken to remove excess assets from terminated benefit plans.

Some land owned by Canadair will be sold, and Ottawa will receive a C\$3m special dividend and the proceeds of a settlement of litigation between Canadair and Avco Lycoming, a US engine supplier.

UK brewer bids £120m for family group

BY LISA WOOD IN LONDON

SCOTTISH & Newcastle Breweries, the North of England and Scotland-based brewer of McEwans and Youngers Ales is to make an agreed bid, worth £120m (\$179m) for Home Brewery, a family-owned Nottinghamshire brewer.

Home Brewery, with its brands operating under a Robin Hood logo, will bring to S & N some 447 public houses in the east Midlands where the major brewer has no tied (exclusive) outlets and comparatively small sales to "free" trade public houses on which the company is heavily dependent in its other trading areas.

ings to accept the S&N offer in respect of 67.5 per cent of the voting shares, approached S&N nine months ago. Mr Bryan Farr, the chairman of Home Brewery, the last remaining member of the family on the board, said there were family reasons for the disposal. In addition he said yesterday: "S&N will give us a broader base for trading."

S&N said yesterday that it saw broad development opportunities at Home, whose trading outlets come to the south of S&N's core trading area. In particular, it stressed opportunities in the free trade, where Home has only 20 per cent of its business. The tied outlets, said S&N, would form a "shop window" for its brands as well as those of Home.

Premier agrees to share option plan

BY CHARLES BATCHELOR IN LONDON

PREMIER BRANDS, the British foods and drink group acquired by management from Cadbury Schweppes in a £97m (\$144m) buy-out in May has agreed a far-reaching share option scheme for its 4,800 full-time employees.

Premier will offer all its regular staff 1,000 shares at 1p each - a total cost of £10. Employees will be able to cash in their options after the company obtains a stock market listing, probably in 1990.

Mr Paul Judge, Premier's managing director, said: "We used the rules applying to executive schemes as being the most efficient. Every employee should have the opportunity to acquire a stake in our business, whatever their job."

The Government bought Canadair about 12 years ago from General Dynamics of the US for around C\$50m and two years ago assumed the C\$1bn development costs for the Challenger jet. In effect, Canadair's principal debt was taken off its shoulders and put into CIDC.

Schering sales tumble on weakening dollar

BY OUR FINANCIAL STAFF

SCHERING, the West German pharmaceuticals and chemicals group, reported modestly lower profits for the first half of 1986 but said earnings for the full year would be satisfactory.

cause of the negative impact of the weakening dollar, Schering said. Adjusting for currency movements, turnover was slightly higher, the company said. However, the actual sales decline was matched by cost savings, and profits for the six months are said to be only slightly below those of 1985.

Last year Schering's group profits rose from DM 138m to DM 173m on sales 7 per cent higher at DM 5.1bn. Some 80 per cent of group sales arise outside Germany.

dropped 10.7 per cent to DM 2.03bn, domestic sales rose 1.8 per cent to DM 506m.

New Issue All these securities having been sold, this advertisement appears as a matter of record only August 1986

CB PAK INC.
Montreal, Quebec, Canada

5 3/8% Bonds 1986-1991 of SFr. 85,000,000

BANQUE GUTZWILLER, KURZ, BUNGENER S.A.
CREDIT LYONNAIS FINANCE AG ZÜRICH
CREDIT COMMERCIAL DE FRANCE (SUISSE) S.A.
SAMUEL MONTAGU (SUISSE) S.A.

BANQUE NATIONALE DE PARIS (SUISSE) S.A.
INGEBA INTERNATIONALE GENOSSENSCHAFTSBANK AG
J. HENRY SCHRODER BANK AG

BANCA DI CREDITO COMMERCIALE E MOBILIARE S.A.
BANCA DEL SEMPIONE
BANCA SOLARI & BLUM S.A.
BANK IN RUTTWIL
BANK IN RENS
BANK LANGENTHAL
BANK OF LANGNAU
BANK NEUMÜNSTER
BANK ROHNER LTD
BANQUE DE DEPÔTS ET DE GESTION
BANQUE LOUIS-DREYFUS EN SUISSE S.A.

COMMERCIAL BANK OF SOLEURE
GREAT PACIFIC CAPITAL S.A.
GRUNDLAYS BANK P.L.C.
E. GUTZWILLER & CIE, Banquiers
OVERLAND TRUST BANCA
RUEGG BANK AG
ST. GALL CREDIT BANK
SOCIETA' BANCARIA TIGINESE
SPAR- UND LEHRSKASSE SCHAFFHAUSEN
VOLKSBANK WILLISAU AG


THE HONGKONG AND SHANGHAI BANKING CORPORATION,
HONG KONG, ZÜRICH BRANCH

BANK HEUSSER & CIE AG
BANQUE KLENWORT BERNON SA
CHASE MANHATTAN BANK (SWITZERLAND)
CITICORP INVESTMENT BANK (SWITZERLAND)
COMPAGNIE DE BANQUE ET D'INVESTISSEMENTS, CBI
CREDIT DES BERGUES

LTCB (SCHWEIZ) AG
MANUFACTURERS HANOVER (SUISSE) S.A.
MERRILL LYNCH BANK (SUISSE) S.A.
MITSUBI FINANZ (SCHWEIZ) AG
THE INDUSTRIAL BANK OF JAPAN (SWITZERLAND) LTD
THE ROYAL BANK OF CANADA (SUISSE)

These securities have been sold outside the United States of America and Japan. This announcement appears as a matter of record only.

NEW ISSUE 15th August, 1986


inageya

INAGEYA CO., LTD.

U.S.\$30,000,000

3 3/4 per cent. Guaranteed Bonds due 1993

Unconditionally and irrevocably guaranteed by

The Kyowa Bank, Ltd.


with

Warrants

to subscribe for shares of common stock of Inageya Co., Ltd.

Issue Price 100 per cent.

Nomura International Limited	Kyowa Bank Nederland N.V.
Banque Paribas Capital Markets Limited	Baring Brothers & Co., Limited
Fuji International Finance Limited	HandelsBank N.W. (Overseas) Ltd.
IBJ International Limited	Merrill Lynch Capital Markets
Morgan Grenfell & Co. Limited	New Japan Securities Europe Limited
The Nikko Securities Co., (Europe) Ltd	Saitama Bank (Europe) S.A.
Sanwa International Limited	Sanyo International Limited
J. Henry Schroder Wagg & Co. Limited	Yamatane Securities (Europe) Ltd.



The Kingdom of Denmark
U.S.\$500,000,000

Floating Rate Notes Due February 2004

For the six months

19th August, 1986 to 19th February, 1987
the Notes will carry an interest rate of 6 3/4%

per annum with a Coupon Amount of U.S.\$325.83 per U.S.\$500,000 Note and U.S.\$8145.83 per U.S.\$250,000 Note, payable on 19th February, 1987.

Listed on the Luxembourg Stock Exchange

Bankers Trust Company, London Agent Bank

MANUFACTURERS HANOVER
OVERSEAS CAPITAL CORPORATION
US\$ 150,000,000

Guaranteed Floating Rate Subordinated Notes due August 1996

Notice is hereby given that the interest payable for the Interest Period 28th February, 1986 to 29th August, 1986, calculated up to and including the 19th August, 1986 will be \$354.80 per \$10,000 coupon and \$1,774.02 per \$50,000 coupon.

19th AUGUST, 1986
MANUFACTURERS HANOVER LIMITED
AGENT BANK

INTERNATIONAL COMPANIES AND FINANCE

\$550m of straight dollar issues launched

BY CLARE PEARSON

A CROP of new fixed-rate dollar deals, totalling \$550m, was launched into the Eurobond market yesterday...

enthusiastic response for another 10-year issue, for Inter-American Development Bank. The \$200m bond has a 7 1/2 per cent coupon and price of 100 1/2...

Just one floating-rate note price of 11 1/2. Warrants are exercisable at DM 525. The bond with warrants was quoted at about 122...

price of 11 1/2. Warrants are exercisable at DM 525. The bond with warrants was quoted at about 122. Meanwhile CSFB-Efficientbank issued 100,000 three-year warrants...

of the Japanese industrial products company. The SFR 50m bond has an indicated coupon of 1 per cent and will be priced on August 25.

K mart earnings jump by 58%

By Terry Byland in New York

K MART, the leading US discount retailer, reported record turnover in the second quarter of the year. Net earnings jumped 58 per cent to \$118.4m...

Swedish hydraulics group acquisition

BY SARA WEBB IN STOCKHOLM

HAEGGLUND AND SOENER, the Swedish hydraulics company, has reached an agreement with Pneumo Abex in the US to acquire Abex Denison group for about SKr 300m (\$43.4m)...

Japanese toothpaste group ahead

By Yoko Shibata in Tokyo. LION, Japan's largest producer of toothpaste and detergents, lifted pre-tax profits in the half-year to June by 4.8 per cent to ¥3,948m (\$31.67m)...

Wormald plans flotation of international operations

BY ROBERT KENNEDY IN SYDNEY

WORMALD, Australia's leading fire protection and security group, is awaiting US Securities and Exchange Commission approval before floating a separate company comprising its international operations on the New York and London stock exchanges.

The flotation is a refinement of an outline plan first envisaged in April, which had involved a listing initially in the UK and Australia, with a US quotation to follow later.

Rendell blow for Australia Second Board markets

BY OUR SYDNEY CORRESPONDENT

ASPECTS OF the operation of Australia's Second Board equity market for smaller companies are expected to come under scrutiny following the announcement of the provisional liquidation of Rendell Industries, building services company.

The company—which was listed on the Second Board less than two months ago—was put into provisional liquidation after a report from accounting firm Arthur Young which indicated "a potential unfavourable adjustment to group shareholders' funds of A\$7.2m (US\$4.9m)".

Montedison lifts stake in Florence insurance group

BY OUR ROME CORRESPONDENT

MONTEDISON, the Italian chemicals group, has increased its stake in La Fondiaria, the Florence-based insurance company, to 25.1 per cent.

La Fondiaria is ranked sixth among Italian insurance companies. It is active in vehicle, life and general accident insurance. Last year its total direct premium income amounted to L555bn (\$3.9m), and it returned net profits of L7.2bn.

FT INTERNATIONAL BOND SERVICE

Listed are the 200 latest international bonds for which there is an adequate secondary market. Closing prices on August 18

Table with columns for Bond Name, Issued, Maturity, Coupon, Yield, and Price. Includes sections for US Dollar, Swiss Franc, and other international bonds.

Prices over the past week were supplied by: Creditreform NV; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Generale de Luxembourg SA; Banque Internationale Luxembourg; Credit Suisse; Credit Suisse; Credit Suisse; Credit Suisse...

NEBB to reduce marine and offshore activities

BY FAY GJESTER IN OSLO

NEBB, the Norwegian offshoot of the Swiss Brown Boveri engineering group, has announced that it is reducing its activities in the marine and offshore sector, where operational results have become "unacceptable".

Midterm advance at ISS

BY HILARY BARNES IN COPENHAGEN

ISS, THE industrial cleaning and office security group, reported a 42 per cent increase in 1986 first-half operating profits from Dkr 35.9m, to Dkr 51.6m (\$6.6m) and net profits from Dkr 25.2m to Dkr 30.5m. Turnover increased from Dkr 2.47bn to Dkr 2.50bn.

Wilkinson Sword

Mr Anthony Shanagher is still a member of the board at Wilkinson Sword, contrary to our report of August 12.

AMERSON STORES

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Second, Fourth, and Six months.

AMET

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Fourth quarter and Year.

CBT INDUSTRIES

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Second quarter and Six months.

FRANK & WILSON

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Second quarter and Six months.

HARRIS CORPORATION

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Fourth quarter and Year.

MEDERRITT INTERNATIONAL

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for First quarter and Six months.

NATIONAL GYPSUM

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Second quarter and Six months.

SEA CONTAINERS

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Second quarter and Six months.

ZAPATA CORPORATION

Table with columns for Quarter, Revenue, Net Profit, and Net per Share. Shows performance for Third quarter and Six months.

U.S. \$20,000,000 2 7/8 per cent. Guaranteed Bonds 1991

with Warrants to subscribe for shares of common stock of Nikken Chemicals Co., Ltd.

Advertisement for Nikken Chemicals Co., Ltd. featuring financial data for various subsidiaries like Daiva Europe Limited, Bayerische Vereinsbank Aktiengesellschaft, and others.

UK COMPANY NEWS

Launch costs likely to put brake on Jaguar results

Jaguar, Coventry-based luxury carmaker, reported interim pre-tax profits up by 7 per cent from £63m to £67.4m. The result was in line with most expectations; the shares fell, however, by 18p on the day to close at \$25p.

Turnover improved to \$426.2m (£440.9m), an increase of 6 per cent. Earnings per share came out at 24.9p (20p) and the interim dividend is being raised from 9p to 3.5p. Last year there was a total payment of 8.6p on pre-tax profits of £121.9m.

Sir John Egan, chairman and chief executive, said the company had continued to make good progress during the first half of 1986. The improvements in turnover and profits were achieved against adverse movements in some exchange rates, particularly significant weakening of the dollar.

For the rest of the year he warned that the launch costs of the XJ40 saloon, the successor to the XJ6, would constrain profits in the coming months and an increase in full-year

profits was not expected. However, the early indications were that the car would receive an outstanding reception, he said, enabling Jaguar to maintain sales growth.

Demand for both the series III saloons and XJ-S range of sports cars remained strong in all major markets, he added. The group was aiming for steady growth of between 10 and 15 per cent.

On the company's exchange policy Sir John said that it continued to try to minimise the effect of fluctuations by forward currency management but because of the recent strength of sterling it had not been possible to obtain the favourable forward rates secured during 1985.

Sir John said later that Jaguar was looking to increase its sales in Japan. Talks were being held to set up a jointly-owned company to distribute their cars. Present sales were 400 units but there was said to be potential to increase that by 10 times in the next five years. Operating profit came out at

£60.5m (£56.6m) with share of related companies adding £100,000 (£90,000) and a further \$6.8m (\$3.1m) net income from investments.

The tax charge was £22.3m (£26.9m) leaving the profit for the period at £45.1m, against £36.1m last time.

During the period spending on research and development increased from £13m to £16m and capital spending doubled to £32m.

The geographical breakdown of turnover showed the US to be the most important market with sales of £279.5m, an increase of £18m, followed by the UK with £97.5m (£85m). Canada reported sales of £30.7m (£24m) with Europe at £28.7m (£31.3m) and the rest of the world with £19.4m (£19.1m).

Sir John said that continuing high level of demand in the US resulted in retail sales improving by 23 per cent to 11,506 units assisted by the successful launch of the V12-engined XJ-S Cabriolet in April.

See Lex

McKechnie launches £24m bid for PSM

By Lionel Barber

McKechnie Brothers, the Midlands engineering and plastics group which has waited off two takeover bids in the past six months, yesterday launched a £24m bid for PSM International, a specialist fastener manufacturer also based in the Midlands.

McKechnie is assured of control because Mr James Tildesley, PSM's chairman and managing director holding 56 per cent of the company, has accepted the offer. Dr Jim Entler, McKechnie chairman, said PSM was "an excellent company with good growth prospects." He denied the offer was a defensive move following successive hostile bids for McKechnie launched this year by the acquisitive mini conglomerates, Williams Holdings and Evered Holdings.

The McKechnie bid is the latest in a string of mergers and acquisitions over the past 12 months which are reshaping the UK engineering sector.

PSM specialises in making industrial fasteners—plastics components embedded with metal such as brass—which are used in the electronics, automotive and consumer durables industries. Based in Willenhall, West Midlands, it has additional manufacturing plants in the UK and overseas in France and Taiwan, and distribution centres in the US and Europe.

In the 12 months ended December 1985, PSM made pre-tax profits of £2.3m (£2.6m) on turnover of £15.3m (£14.1m). Net tangible assets at the end of last year amounted to £9.5m.

PSM is both a customer and supplier to McKechnie. It buys several hundred tonnes of brass a year for use in its mouldings and it supplies plastics fasteners to McKechnie's own plastic processing operation.

McKechnie is offering 44 of its own shares and £95 in cash or loan notes for every 100 shares in PSM. On the basis of last night's closing price for McKechnie of 212p, down 2p, the offer values PSM, 178p, down 2p, at 188p per share.

Dr Butler said McKechnie was standing by an earlier forecast of £15m pre-tax profits (£12.2m post-tax) for the year ended last month.

Liza Wood on the background to S & N's latest acquisition move Searching for Home comfort

IT COULD be third time lucky for Scottish & Newcastle Breweries, which yesterday announced its proposed £120m agreed bid for Home Brewery, the family-owned Nottingham-based brewer.

During the last two years S & N's acquisition strategy has twice fallen foul of references to the Monopolies and Mergers Commission. In the case of J. W. Cameron, the Hartlepool-based brewer, S & N terminated its £44m bid after its reference. Last year a £125m bid for Matthew Brown, the north west brewer, was cleared by the Commission. But S & N narrowly failed to win the subsequent battle when the Takeover Panel ruled that it had not won enough votes by the closing time of its offer.

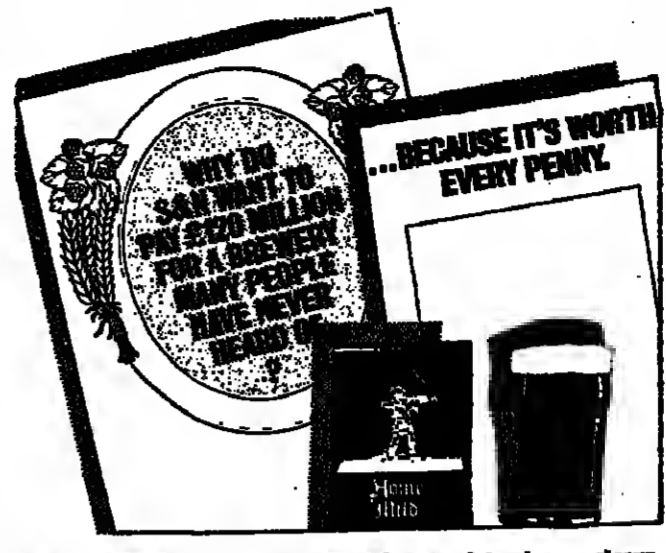
The present proposal is subject to the approval of the Office of Fair Trading at a time when the industry is likely to be investigated by the Monopolies Commission.

Assuming the deal goes through, it will be in line with S & N's strategy on the other two abortive bids of consolidating its hold on the north and acquiring more pubs. And the high earnings multiple to be paid for Home Brewery outside its immediate region, reflects the brewer's determination to proceed with that strategy.

The move is unlikely to weaken S & N's monitoring of Matthew Brown, in which it holds a 29.6 per cent stake and which, it said yesterday, it had no intention of selling. Under Takeover Panel rules S & N could renew its bid for Brown at the end of this year.

S & N, Britain's fifth largest brewer and owner of a large hotel chain, has a structural shortcoming which it wishes to correct before it looks to further diversification outside brewing and hotels.

Some 80 per cent of S & N's sales, compared with the in-



S & N yesterday took the unusual step of issuing a glossy brochure (illustrated above) to ring the merits of Home Brewery

have high beer barrels, profits from retailing are low. It is attention to areas like this, said Mr Rankin, which should help improve Home's profits.

In the year ended September 30 1985 Home made £4.4m on a turnover of £56.4m. For the six months ended March 31 pre-tax profits rose to £2.3m from £2.1m.

Analysts yesterday described the acquisition as having both geographical and financial logic. "To justify this acquisition S & N will have to triple the profits of Home Brewery in the next two to three years and I think there is a good chance of them doing that without closing the brewery," said Mr John Dunsmore of Wood Mackenzie, the Edinburgh-based stockbroker.

S & N has not discussed the proposed acquisition with the Office of Fair Trading but industry experts yesterday said they doubted that the acquisition would be referred for investigation.

Mr Rankin was bullish on the wisdom of acquiring pubs at a time when the tied-house system may be investigated by the Monopolies and Mergers Commission. Obviously, he said, the proposed acquisition, put to S & N by Home Brewery nine months ago, had been examined by S & N in the knowledge that the industry could be subject to an investigation.

S & N, according to Mr Rankin, would score on all these accounts. It is a confidence which, despite the knocks during the past few years, is a far cry from the late-1970s when the company had the poorest profit growth in the industry. Since then there has been five years of consistent profit growth—to £75m in the year to last April—and a first for acquisitions which may not yet have been quenched.

See Lex

Vibroplant profits rise 34%

BY ALICE RAWSTHORN

DESPITE INTENSE competition in the plant hire industry, Vibroplant yesterday announced a 34 per cent increase in pre-tax profits to £3.29m for the year to March 31, against £2.46m, on turnover which rose by 10 per cent to £21.7m.

In the UK, Vibroplant overcame sluggish demand from its core customer base, the construction industry, and depressed public sector expenditure to increase profits to £2.9m (£2.3m) and turnover to £18.96m (£17.72m).

"There has been a slight increase in demand from some parts of the construction industry, from private house building for example," said Mr Jeremy Pilkington, the chairman. "But conditions are still very competitive and we are pleased to have been able to increase earnings."

Profits from the US have more than doubled to £287,144 (£160,050) on turnover ahead at £2.73m (£1.96m). The Florida Hi-Lift division produced a substantial increase in profits, while Georgia Hi-Lift, which was acquired in January, made a modest contribution for its first

three months with the company. Vibroplant invested an unprecedentedly high £10m in capital expenditure during the year, some £3m of which was channelled into the US division. Mr Pilkington expects to invest slightly less in the current year. As a result the company's borrowings have risen slightly, leaving gearing at 35 per cent. In the year to March earnings per share rose to 34.53p (£2.01p). The directors propose to increase the final dividend to 6.8p (5.7p) making a total of 10.5p (9p).

According to Mr Pilkington the current year has begun well and profits are ahead of the corresponding period last year.

comment

The climate within the construction industry is as competitive as ever. Price pressure is still intense, costs are rising. The Government is as reluctant as ever to regenerate public sector expenditure, yet Vibroplant has succeeded not only in increasing profit but in improving margins. In the UK the prospects for growth lie in expanding... Vibroplant's pre-

ence in the south east and in value-added areas such as maintenance provision and in longer term contracts. Competition is less intense in the US and the company is keen to make further acquisitions, should the right type of niche company come along. Vibroplant's shares have soared ever since it signalled the end of its ill-fated foray into the like horses, yet on projected profits of £3.9m and yesterday's share price of 360p, the multiple of 8.5 is still undemanding.

Kingsrange

Kingsrange Products, a toiletries manufacturer, has reported an expansion in pre-tax profits from £111,800 to £964,100 for the year to last April and says it is planning a stock market flotation.

The company makes luxury toiletries under the brand names Potter & Moore and Jean Sorelle, and also supplies own-label products to retailers. Its biggest single customer is Marks and Spencer.

Turnover in the last year rose from £8.76m to £11.04m

Aidcom agrees to all-share offer

BY RICHARD TOMKINS

THE on-off bid talks between Addison Consultancy, the communications group, and Aidcom International, the market research company, reached an amicable conclusion yesterday when Aidcom agreed to an all-share offer.

Addison is offering nine of its own shares for every 20 Aidcom shares. With Aidcom's shares down 10p at 123p at yesterday's close, this bid offers Aidcom shareholders a 56p and the whole company at £13.17m. Aidcom's shares closed 9p up at 54p.

The talks between the two companies began 11 days ago but appeared to have broken down last week when Aidcom announced that they had been

unable to agree terms.

"There was never any problem over the commercial and industrial logic," Mr Michael Page, Addison's joint chief executive, said yesterday. "We just couldn't get there on the price, so we thought the best thing to do was to call a halt to the talks for a cooling-off period."

"Common sense prevailed in the end and we were invited through Aidcom's brokers to return to the table on Friday night. We made a final offer which was very marginally better than our previous one and they came to a very speedy decision."

Mr Pratt Thompson, chairman of Aidcom, said the two com-

panies had got together again on Friday because neither could ignore the powerful business logic of a combination.

"The price we have accepted is a fair one," he said. "The difference between what they were offering and what we would accept was never very great, but it was a difference that had to be bridged."

The two sides said that the combination of the two businesses would enhance prospects for employees of both companies and the rights of Aidcom's staff would be protected.

Aidcom directors have given undertakings to accept the offer in respect of 9 per cent of the company's share capital.

C. E. Heath acquisitions

C. E. Heath, one of Britain's largest independent insurance brokers, yesterday announced a series of overseas acquisitions in Australia, New Zealand and the US.

In Australia it has purchased two specialist insurance companies: The GM Forsyth Aviation Underwriting Agency was acquired for \$35m (£1.25m) in cash and Atlantic Insurance, a specialist marine underwriting agency, for \$48.85m (£1.4m) cash.

The company has chosen to diversify into underwriting in New Zealand through a startup in which it will invest A\$500,000 (£296,335).

In the US, Heath has acquired Falcon Insurance, as a shell company from Commercial Union for US\$4.68m (£3.25m) in cash.

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange. It does not constitute an offer of, or invitation to the public to subscribe for or to purchase, any securities. The securities referred to below have not been registered under the United States Securities Act of 1933 and may not be offered, sold or delivered directly or indirectly in the United States of America, its territories or its possessions or to United States persons.

US \$200,000,000
Morgan Grenfell Group plc
(Incorporated with limited liability in England under the Companies Acts 1948 to 1967)
Undated Primary Capital Floating Rate Notes

- The following have agreed to subscribe or procure subscribers for the Notes:
- | | |
|--|---|
| Morgan Stanley International | Morgan Grenfell & Co. Limited |
| Credit Suisse First Boston Limited | Deutsche Bank Capital Markets Limited |
| Merrill Lynch International & Co. | Nomura International Limited |
| ANZ Merchant Bank Limited | Bankers Trust International Limited |
| Banque Bruxelles Lambert S.A. | Banque Nationale de Paris |
| Banque Paribas Capital Markets Limited | EBC Amro Bank Limited |
| Girozentrale und Bank der österreichischen Sparkassen Aktiengesellschaft | Goldman Sachs International Corp. |
| E F Hutton & Company (London) Ltd | IBJ International Limited |
| Kidder, Peabody International Limited | Lloyds Merchant Bank Limited |
| Mitsubishi Finance International Limited | Mitsubishi Trust International Limited |
| Mitsui Trust International Limited | The Nikko Securities Co., (Europe) Ltd. |
| Standard Chartered Merchant Bank | Sumitomo Trust International Limited |
| Swiss Bank Corporation International Limited | Tokai International Limited |
| Union Bank of Switzerland (Securities) Limited | Westpac Banking Corporation |

Application has been made to the Council of The Stock Exchange for the Notes to be admitted to the Official List. The Notes will be issued in bearer form in the denominations of US \$10,000 and US \$250,000 with an issue price of 100 per cent. Interest is payable semi-annually in arrears in February and August, the first payment being made in February 1987.

Listing Particulars relating to the Issuer and the Notes are available from Extel Statistical Services Limited and copies may be obtained during normal business hours up to and including 21st August, 1986 from the Company Announcements Office of The Stock Exchange and up to and including 2nd September, 1986 from:

- | | | |
|---|---|--|
| Cazenove & Co.
12 Tokenhouse Yard
London EC2R 7AN | Morgan Guaranty Trust Company of New York
Morgan House
1 Angel Court
London EC2R 7AE | Morgan Grenfell & Co. Limited
New Issue Department
72 London Wall
London EC2M 5NL |
|---|---|--|

19th August, 1986

Hawker expands US fuses

By Alice Rawsthorn

Hawker Siddeley, the electrical and mechanical engineering group, has purchased the Reliance Fuse division of Challenger Electrical Equipment in the US for \$11.5m (£7.6m) cash.

Reliance Fuse is the largest manufacturer of low voltage power fuses in the US, with a customer base concentrated in the industrial and construction sectors. It has been acquired through Hawker's existing US subsidiary, Brush Fuses. Hawker's share price was unchanged at 487p yesterday.

Low voltage power fuses are an important part of our product range both in the UK and the US," said Hawker. "We already have a US subsidiary in this area and Reliance Fuse was a natural addition to it."

In recent months Hawker has embarked upon an expansion programme in the US. Reliance Fuse is the sixth acquisition in the last year. Hawker, which is cash rich, envisages further US purchases in the coming months.

Hawley has 8.6% stake in HAT

Hawley Group yesterday confirmed that it held an 8.6 per cent stake in the HAT group, the painting, cleaning and scaffolding business, contesting a 59.4m bid by BET, the diversified industrial services company.

BET was last night considering whether to extend or raise its offer to HAT. The intervention of Hawley, the cleaning and industrial services company run by Mr Michael Ashcroft, has clouded the picture. Mr Ashcroft refused to comment on his motives yesterday.

Ealing Electro

Ealing Electro-Optics, USM quoted maker of high precision optical and electro-optical equipment, is acquiring Optical Surfaces for £1.33m to be satisfied by 586,600 cash and the issue of 483,189 ordinary shares.

LADBROKE INDEX
1,378,484 (-3)
Based on FT Index
Tel: 01-427 4411

Notice of Redemption
To the Holders of

MONTANA POWER INTERNATIONAL FINANCE N.V.
14 3/4% Guaranteed Notes Due September 15, 1989

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture, dated as of September 15, 1982, from Montana Power International Finance N.V. and The Montana Power Company, as Guarantor, to Citibank, N.A., Trustee, all \$50,000,000 in principal amount of the aforesaid Notes will be redeemed on September 15, 1986, at the redemption price of 101 1/2% of the principal amount thereof, together with accrued interest (last on September 15, 1985, to such redemption date, amounting to \$142.50 for each \$1,000 principal amount of the Notes. Interest on the Notes shall cease to accrue on and after the redemption date and on that date the redemption price and accrued interest will become due and payable on each of the Notes provided, however, that this notice is subject to the receipt of redemption monies by the Trustee prior to September 15, 1986. This notice shall be of no effect, and the redemption price shall not be payable and interest on the Notes shall continue to accrue, unless such monies shall have been received prior to such date.

Payment of the Notes will be made upon presentation and surrender thereof, together with all coupons appurtenant thereto maturing subsequent to the redemption date, at the offices of the Paying Agents as follows: Citibank, N.A., Fifth Floor, 111 Wall Street, New York, New York 10043, or at the option of the holder, at the main offices of Citibank in Amsterdam, Brussels, Frankfurt/Main, London or Paris; at the office of Citicorp Bank (Luxembourg) S.A. in Luxembourg; or at the main office of Swiss Bank Corporation in Basel.

Coupons which have matured prior to the redemption date should be detached and surrendered for payment in the usual manner.

Withholding of 20% of gross redemption proceeds of any payment made within the United States may be required by the Interest and Dividend Tax Compliance Act of 1983 unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee.

MONTANA POWER INTERNATIONAL FINANCE, N.V.
Dated: August 12, 1986

Today's Australian Budget

If you wish to be closer to the Australian Budget

McIntosh Hamson Hoare Govett

will bring you news of the measures as they are announced on TOPIC page *18500# and PRESTEL page *88170300# from 10am today together with comments from our economists

McIntosh Hamson Hoare Govett

119 Cannon Street, London EC4N 5AX
01-626 9888

UK COMPANY NEWS

BPCC profits more than doubled to £27.55m

By Charles Batchelor

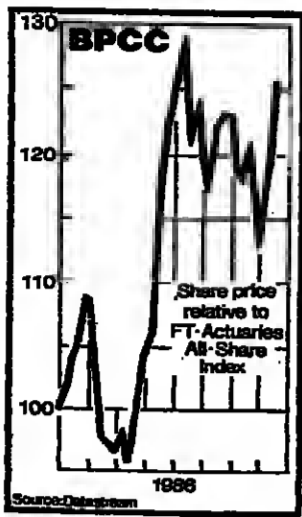
British Printing & Communication Corporation (BPCC), the printing and publishing group headed by Mr Robert Maxwell, more than doubled pre-tax profits from £11.43m to £27.55m in the first half of 1986.

BPCC has been evaluating some major acquisitions in the US, the Pacific Basin and in Europe and an announcement about the purchase of a US public printing and publishing company is imminent, Mr Maxwell said yesterday.

He told shareholders in June that BPCC's first-half profits would be at least double those of the same 1985 period but the scale of the increase prompted a 5p rise in the share price to 285p yesterday.

First-half profits exceeded by more than £2m the figure for the whole of 1985 and would have been even higher but for losses of more than £5m caused by an industrial dispute at its Furnell & Sons subsidiary.

The improvement in results was due to the better performance of BPCC's printing businesses, in particular a good start to contract printing in



London and Manchester of the Daily and Sunday Mirrors which benefited results for the entire six-month period. Profits benefited from only 10 weeks of revenues from Pergamon Journals which was

acquired recently but they will make a full contribution in the second half of the year.

The second half will also be helped by the results of the contract printing of the Scottish Daily Record and Sunday Mail (from April) and of the Sunday People (from July 1).

Mr Maxwell said current trading was buoyant in all parts of the group and he expected a highly satisfactory outcome for the year, as a greater proportion of revenues arises in the second half.

Interest earnings leaped from £119,000 in the first half of 1985 to £8.53m reflecting the substantial US dollar revenues resulting from the pre-paid subscriptions for Pergamon's scientific journals.

This will reduce group interest costs as well as permitting US borrowings at lower levels than those in the UK.

BPCC turnover in the first half rose from £128.3m to £191m. The company will pay an interim dividend of 6p per share compared with 4p last time.

See Lex

Dee buys Medicare drugstores for £20m

By Charles Batchelor

Dee Corporation, the Gateway and Carrefour supermarkets group headed by Mr Alec Monk, is paying £20m for Medicare, the drugstore chain owned by Reed Executive, the employment and travel agency company.

Reed's shares rose 43p to close at 386p while Dee's added 3p to 263p.

This represents Dee's first major acquisition since its diversification into specialised retailing in the UK, though it has acquired two sports goods retailers in the US in recent months.

The purchase brings a powerful competitor into the fragmented drugstore market where, with just 49 outlets and turnover of £27m Medicare ranks fourth in the UK league after Boots, Superdrug and Underwoods.

Medicare was established in 1974 as a diversification from Reed's main business of employee recruitment.

Medicare made an operating profit of £572,000 in the year ended March 1986 so it will not have a significant immediate impact on Dee's profits which were £83m in the year ended April 1986.

But Dee said it was looking three to four years ahead. Dee closed 60 of its smaller stores last year but many of these could have been offered to Medicare to help it expand from its present base in the south of England to become a national chain.

The price of £20m represents a sizeable sum for Reed which is capitalised at about £40m and which made pre-tax profits of £2.55m on turnover of £89.6m in the year ended March.

Cannon Street

Cannon Street Investments has entered into conditional agreements to acquire the BS Heating group, Davron Engineers Sales and Agricultural Packaging & Containers for a total £2.1m.

Initial consideration will be satisfied by the issue of 2.5m new ordinary shares of which £22,000 will be retained by the vendors.

Charterhouse Bank has arranged for the balance, together with a further 280,000 shares to be issued to raise additional working capital for CSI, to be placed at 125p per share.

Blagden drops 16% to £2.3m at interim stage

Despite an increase in turnover from £56.15m to £68.57m, pre-tax profits of Blagden Industries, packaging, plastics, chemicals and industrial protective equipment group, fell by 16 per cent to £2.3m for the 25 weeks to June 22 1986, against £2.76m last time.

The company said, however, that the elimination of the major loss-making plastics activity at Billerica, together with improving liquidity should lead to a higher profit in the second half.

Although earnings per 25p share dropped from 6.4p to 4.7p, the interim dividend is maintained at 3.5p net — last year's total was 7.2p on £4.18m profits.

The company said its plastic blow moulding operations had been retained as an integral part of the packaging division, but included a residual non-packaging activity where further rationalisation was still required.

The consideration for the

sale of the company's Billerica operations, together with the proceeds of property sales and consequential transactions, were expected to realise £7m net. These proceeds would be applied at first in reducing group indebtedness.

The company said the strengthened balance sheet then resulting would represent a stronger base from which to finance future growth opportunities that might arise.

In the UK, the chemical division continued to produce very good results, but a general decline in the market for safety equipment had an adverse effect on the performance of the industrial protective equipment side.

Results from the UK packaging division, while showing a lower operating profit than last time, were markedly better than in the second half of 1985.

The performance of the international division was well up to board expectations.

Interim profits were little changed at £3.4m, against £3.37m. Net interest payable however, rose from £605,000 to £970,000, while share of related companies' losses accounted for £124,000 (£9,000). Tax took £910,000 (£1.21m).

comment

Investors have failed to drum up much enthusiasm for Blagden's shares since the complex share deal which last year bought in the European steel drum interests of City Investments. Over the years, Blagden has added several other divisions to its core business, but only chemicals manufacturing has been a success. Blagden is now trying to make a virtue out of a necessity by starting its desire to expand its chemicals business rather than search for a "third leg." The loss elimination from the sale of the plastics division and the interest savings from the £7m consideration should allow second-half profits to pick up, but full-year pre-tax profits of £5m are probably the most realistic target. That will put the shares, which fell by 3p to 125p, on a prospective p/e of 12.5, any dependent on the 8 per cent yield for support.

Exchange rates hit Albright & Wilson

The impact of exchange rates on the results of its overseas companies left sales and profits of Albright & Wilson down by 2 per cent and 3 per cent respectively at the six months' stage.

In all, sales for the first six months of 1986 totalled £327.6m (£333m) and profits £24.1m (£24.9m) pre-interest and tax. UK profits improved. Overseas operations in local currencies increased sales by 13 per cent but profits were down by 12 per cent owing to difficult trading conditions in North America and Italy.

The group's return on capital (trading profits on average net assets employed) remained at 15 per cent—Albright manufactures chemicals and allied products.

Capital expenditure was down 40 per cent on last year at £12.2m, mainly because of lower spending in Canada.

The group is a subsidiary of Tenneco of the US. The figures relate to the group managed by Albright & Wilson, including companies owned directly by Tenneco.

Profits for the full 1985 year amounted to £41.3m (£41.4m).

Peerless maintains recovery

Peerless has maintained the recovery evident at the half way stage, recently sold another loss-making subsidiary, and is confident for the future, chairman Mr W. S. Jordan says in his preliminary statement.

The group, involved in plastics, electrical, domestic engineering and metals, made a turnover of £42.53m in the year ended March 31 1986, compared with £46.2m, and a pre-tax profit of £1.71m, against a loss of £379,000.

Mr Jordan explained that profit would have been substantially higher but for losses incurred at Glendale Furniture (kitchen units) and Peerless Control Systems. That was sold to Goring Kerr while only last Friday Glendale was disposed of for a small consideration (around £100,000) as the only practicable alternative to immediate closure.

The chairman said cash flow remained healthy and borrowings at the year-end were £6.2m compared with nearly

£8m a year previous. In view of that and the brighter prospects, the dividend was being held at 6.5p, with an unchanged final of 4.2p.

Mr Jordan was convinced that the group was at the beginning of a new and more prosperous phase of its activities. For the first quarter of the current year, management accounts showed a pre-tax profit (after interest) of more than £700,000, but he warned shareholders against attempting a year's forecast by multiplying the quarter by four.

Glendale incurred a loss last year of some £750,000, and it was decided to have a fundamental re-assessment of asset values and provide for anticipated closure losses. The fire-hold property was written down by over £800,000 and revaluation of other assets on a break-up basis and provisions for closure costs came to £1.6m net.

comment

Having stood the heat for several years, Peerless has now

got out of the kitchen business and shareholders may well breathe a sigh of relief at the news. Losses from Glendale and another kitchen subsidiary

Headway have held up the company ever since it came to the market in 1980. The new chief executive Geoffrey Gahan is a plastics man and now has 14 operating units of which half are plastics related. That will give him a chance to get a firm grip on the remaining businesses and for the company to live up to its name. Since the first quarter is not traditionally the strongest, the £700,000 profits recorded in the current year's management accounts indicate that progress is being made. Adding in the loss elimination from Glendale and Peerless Control Systems and allowing for underlying growth of 20 per cent, puts this year's pre-tax profits over £3m. That leaves the shares at 125p, up 5p, on a prospective p/e of 8.5. Even with a 60 per cent gearing level, there seems to be room for the rating to improve.

CES expands jewellery side with £27m purchase

By Lionel Barber

Combined English Stores Group has successfully concluded talks with Zales Corporation, the world's biggest fine jewellery retailer, to buy Zales' UK subsidiary, which includes 112 shops for £26.7m.

The deal will make Combined English (CES), which owns Collingwood The County Jewellers, the second biggest UK multiple specialist retailer by market share.

CES is issuing 13.6m new ordinary shares at 197p per share to pay for the deal. All but 500,000 will be placed by Samuel Montagu, with Hoare Govett acting as brokers. As with recent vendor placings, the terms include a 100 per cent "claw back" which allows existing shareholders to apply for the full amount of the placing.

Zales made pre-tax profits of £1.82m for the year ended last March. CES is forecasting interim pre-tax profits of £4.5m (£3.45m, including property

profits) and says prospects for the rest of the year to December are encouraging.

Mr Murray Gordon, CES chairman, said the Zales purchase would give the group 247 stores and around 4.5 per cent of the UK market. CES's retail division also includes Salsburys Handbags, Allens Chemists and Biha Fashion Group (West Germany).

CES estimated the worth of the specialist jewellery market at around £1bn. Over the next five years, it said the market would shift in favour of a small number of large groups at the expense of the still-strong independents (who account for around one half of UK sales). Collingwood is expected to grow to more than 200 branches in the next three years. Similar growth is expected at Zales.

Zales has expanded steadily since Zale Corporation, a US group, took a majority shareholding in 1968. At that time it traded under the name Leslie Davis and had nine shops with sales of £800,000.

Granville & Co. Limited		Telephone 01-621 1212	
8 Lovell Lane London EC3R 5BP		Member of Fimbur	
High Low	Company	Price Change	P/E
146 118	Ass. Brit. Ind. Ord.	132	7.3 5.5 8.1 7.5
191 121	Ass. Brit. Ind. CULS	131	10.0 7.8
128 43	Austrup Group	108	7.8 7.0 6.8 6.0
46 28	Avon and Rhoads	35	4.3 12.3 4.3 5.2
186 108	Barden Hill	184	4.8 2.5 20.9 19.2
80 42	Bny Technology	80	4.3 8.4 9.5 8.7
201 75	CEL Ordinary	83	3.9 3.5 5.9 3.2
152 86	CEL 11pc Conv. Pl.	86	15.7 18.3
227 80	Carborundum Ord.	225	9.1 3.9 11.4 11.6
94	Carborundum 7.5pc Pl.	92	10.7 11.8
73 46	Deborah Services	73	+0.1 7.0 9.6 7.8 10.0
126 20	Frederick Parker Group	23	—
126 20	George Blair	120	— 3.8 3.2 3.1 4.4
70 20	Imp. Precision Castings	70	— 3.0 4.3 18.5 18.5
216 18	Int. Group	166	— 15.0 9.0 12.8 19.1
120 101	Jackson Group	120	+1 5.1 5.1 8.2 7.3
367 228	James Burrough	367	— 17.0 4.6 10.3 9.4
100 85	James Burrough SpPl.	86	— 12.9 13.4
96	John Howard Group	57	— 5.0 8.8
1035 342	Mulhouse NV	960	—
380 280	Record Highway Ord.	274	—
100 89	Record Highway 10pcPl	89	— 14.1 15.8
82 32	Robert Jenkins	70	—
38 8	Scutneys "A"	28	+1 — — 3.1 4.4
105 58	Torday and Carfield	105	+3 5.7 5.4 8.4 6.4
370 320	Traveler Holdings	320	— 7.9 2.5 5.7 8.8
70 25	Unilock Holdings	68	— 2.8 4.1 12.5 11.7
203 93	Walter Alexander	203	+1 9.8 4.9 11.5 14.0
226 190	W. S. Yeates	195	— 17.4 8.9 19.5 21.7

NOTICE OF PREPAYMENT

THE KYOWA BANK, LIMITED
(Incorporated with Limited Liability in Japan)
U.S.\$10,000,000

Floating Rate Certificates of Deposit
No. 000001-000010 (issued on 28th September 1985)

Maturing 28th September 1987, Callable in September 1986

Notice is hereby given in accordance with the conditions of the above Certificates of Deposit (the "Certificates") as printed on the reverse of the Certificates that The Kyowa Bank Limited (the "Bank") will prepay all the outstanding Certificates on 28th September 1986 (the "Prepayment Date"), at their principal amount.

Payment of the principal amount together with accrued interest to the Prepayment Date, will be made by the Bank to the payee of the Certificates at the London Branch of The Kyowa Bank Limited, Princes House, 93-95 Gresham Street, London EC2V 7NA. Interest will cease to accrue on the Certificates on the Prepayment Date.

N. H. WOOLLEY & CO LTD
Agent

YOKOHAMA ASIA LIMITED
(Incorporated in Hong Kong)
U.S.\$100,000,000
GUARANTEED FLOATING RATE NOTES DUE 1997

Unconditionally and Irrevocably guaranteed by
THE BANK OF YOKOHAMA, LTD.
(Incorporated in Japan)

Notice is hereby given that the Rate of Interest for the interest period has been fixed at 6 1/4% p.a. and that the interest payable on the relevant Interest Payment Date, November 19, 1986 against Coupon No. 5 in respect of U.S.\$10,000,000 nominal of the Notes will be U.S.\$164.51 and in respect of U.S.\$250,000 nominal of the Notes will be U.S.\$412.85.

August 19, 1986, London
By: Citibank, N.A. (CSSI Dept.), Agent Bank **CITIBANK**

DnC
Den norske Creditbank
Primary Capital Perpetual
Floating Rate Notes

In accordance with the provisions of the Notes, notice is hereby given that for the Interest Period from August 19, 1986 to November 19, 1986 the Notes will carry an Interest Rate of 6 1/4% p.a. and the Coupon Amount per U.S.\$10,000 will be U.S.\$164.51

August 19, 1986, London
By: Citibank, N.A. (CSSI Dept.), Agent Bank **CITIBANK**

U.S.\$150,000,000
Guaranteed Floating Rate Notes due 1992
of
SANWA INTERNATIONAL FINANCE LIMITED
Guaranteed as to payment of Principal and Interest by
THE SANWA BANK LIMITED

Notice is hereby given that the Rate of Interest has been fixed at 6 1/4% p.a. and that the interest payable on the relevant Interest Payment Date, February 19, 1987, against Coupon No. 6 in respect of U.S.\$10,000 nominal of the Notes will be U.S.\$164.25.

August 19, 1986, London
By: Citibank, N.A. (CSSI Dept.), Agent Bank **CITIBANK**

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corr. div. year	Total of spndng for last year	Total last year
Blagden	3.5	Oct 1	3.5	—	7.2
BPCC	6	Jan 5	4	—	12
Consolid. Terra	all	Nov 10	1.68	—	5
Mrs Fields	0.75†	Nov 7	3	—	8.6
Fagrus	3.5	—	1.25	—	2.5
Natwide Leisure	nil	—	4.2	6.3	6.3
Peerless	4.2	—	0.85	—	2
Scot. Eastern	0.85	Oct 27	0.85	—	2
Shearbank Prop	0.5	—	nil	nil	nil
Vibroplant	6.5	Oct 13	5.7	10.5	1
J. W. Wassall	1	Sept 16	1	—	1

Dividends shown in pence per share except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock. ¶ US cents—before withholding taxes.

BBA GROUP

Profits Doubled

INTERIM RESULTS

	6 months 30th June 1986	1985	% change
Sales	£230.2m	£104.3m	+121%
Profit before tax	£12.4m	£6.0m	+107%
Earnings per share	6.13p	4.01p	+53%

- * Broadly based growth from existing business and recent acquisitions.
- * The group is planning to raise £68.7m by way of 1-4 rights issue.
- * Group poised for excellent progress in 1986.

The Yorkshire based automotive and engineering products, conveyor belting and industrial textile group

Interim report and accounts available from:
The Secretary,
PO Box 20 Cleckheaton,
West Yorkshire BD11 6HP.

Mrs Fields

UNAUDITED HALF YEAR RESULTS FOR 1986

INCOME BEFORE INTEREST AND TAXATION UP 87%

	1986 \$000	1985 \$000	Pro Forma 1986 \$000
Net sales	38,256	32,524	38,256
Income before interest and taxation	6,411	3,419	6,411
Interest	1,808	1,967	133
Income before taxation	4,603	1,452	6,278
Taxation	276	75	377
Net income	4,327	1,377	5,901
Proposed dividend per share	0.75 cents		

- Income before interest and taxation up by over 87%, reflecting continuing improvement of operating efficiencies
- Over 100 new stores anticipated for current year, with around 80 opening in the second half
- Store openings planned for Australia, Japan, Canada and United Kingdom
- First store on United States military base opened in Japan. Significant opportunities for opening similar stores worldwide
- In 1986 Jessica's to open five stores within stores on test basis with Sears, Roebuck
- The Directors are confident that the pro forma profit forecast of not less than \$18.5 million (equivalent to earnings per share of 11.6 cents) will be achieved. The outlook for the future growth of the business is excellent

The full Interim Statement will be sent to shareholders.

UK COMPANY NEWS

Mrs Fields on target for \$18.5m profit over year

FIRST HALF profit of Mrs Fields Inc, the speciality cookie store operator, came to \$6.28m equal to \$4.2m and directors are confident that the year's minimum forecast of \$18.5m, or 11.6 cents per share, will be achieved.

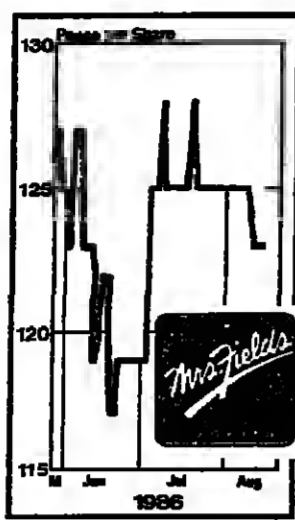
They said that outlook for the growth of the business was excellent. The group ran 321 stores and a further 50 would open in the second half. Outside the US, they were in Australia, Japan, Canada and the UK.

During the year Jessica's would open five stores within stores on a test basis with Sears Roebuck, to determine the feasibility of selling its products in the Sears' environment.

The company came to the London USM in May. The shares were offered at 140p each but 84 per cent were left with the underwriters and first-day dealings saw a discount of 14p.

The forecast results and interim figures were prepared on the basis of the group being reorganised and refinanced for the whole of the year.

That meant the half year's interest charge was \$135,000,



instead of \$1.8m actual which gave a profit of \$4.6m. For the comparable period the profit was \$1.45m, which rose to \$6.76m by the end of 1985 on sales of \$72.56m.

Pro forma net income for the six months worked through at \$5.9m giving earnings per

share of \$0.039. The interim dividend is 75 cents.

comment

There may come a day when Mrs Fields' shares are re-rated, but yesterday was not it: the market shrugged off the \$20 per cent increase in pre-tax profits and left the price unchanged at 125p. If this seems curious, it is because little emerged from the interim statement that was not included in the prospectus just three months ago, and the figures were more or less in line with what one would expect if Mrs Fields were to meet its full-year forecast of \$18.5m. Nothing has yet occurred to change the market's view that a prospective p/e ratio of 16 is a fairer price for Mrs Fields than the 19 on which it was floated. Interest is only likely to emerge when talk turns to next year's figures, for on the evidence of previous year's growth the market would be looking at a figure in the region of \$27m on a tax charge of around 10 per cent. That would drop the p/e multiple to a modest 11.5 at today's price, suggesting that there is room for Mrs Fields to find its offer price eventually. It is just a matter of when.

Nationwide Leisure falls to £309,000

A loss this time from its retail leisure side was reflected in a fall in pre-tax profits of Nationwide Leisure from £407,000 to £309,000 for the six months to April 30 1986. Turnover fell by £1.2m to £7.13m.

Because of insufficient reserves available in the parent company there is no interim dividend (1.25p net last time). But distributable reserves at the year end are expected to be sufficient to recommend the payment of a final comparable to the 2.5p paid for the whole of last year.

Adjusted earnings per 25p share are shown down from 4.1p to 1.8p.

Last year's profits included a £20,000 contribution from the discontinued tour operating business. The company is still dealing with certain matters relating to this disposal and expects that closure costs, net of tax, subsequent to disposal, will exceed by about £150,000 the extraordinary provisions made in the audited accounts to October 31 1985.

However, it is expected that extraordinary profits from other items in the second half are likely to offset such additional provisions.

The company said turnover levels of the retail leisure side had been disappointing so far this summer. First-half loss was £23,000 (£84,000 profit).

Travel agencies profits rose from £100,000 to £145,000 and the company hopes to announce the addition of two new branches to the existing 11 which will strengthen profit performance in 1987.

The park home estate division lifted profits to £155,000 (£98,000) and other activities added £28,000 (£35,000).

Sheafbank dividend

Sheafbank Property Trust saw pre-tax profits improve from £25,000 to £158,000 in the year to the end of March 1986 and is proposing to pay a dividend of 0.5p, the first in 13 years.

Great rental income for this Manchester-based property investor and developer rose to £685,000 (£501,000). But after a lower tax credit of £623 (£103,000), an increase in average shares outstanding and preference dividends, stated earnings per 10p share came out at 0.5p, against 1.09p.

Consolidated Tern

Consolidated Tern Investments, the USM quoted plant hire, construction and property group, dived into the red in the six months to March 31 1986.

With all divisions severely affected by the worst winter's trading in the company's history, the group incurred a £1.3m pre-tax loss for the period, as against a profit of £400,000 last time. The interim dividend is omitted (1.68p net in 1984-5).

There was a heavy loss caused largely by problems in two housing contracts, for which full provision has been made, and in addition, continuing losses in two acquisitions were substantially greater than anticipated. The company said positive steps had been taken to restore the situation.

Scottish Eastern

For the six months ended July 31 1986, the Scottish Eastern Investment Trust produced earnings of 1.08p per share, against 1.09p, and is holding the interim dividend at 0.83p net.

At the end of the period net asset value per share was 150.3p (102.2p) after prior charges at par.

Wassall lower

J. W. Wassall, multiple footwear retailer, suffered a fall in pre-tax profits from £86,496 to £49,533 for the 53 weeks to February 1 1986. Turnover was slightly lower at £2.91m, against £3.01m.

After tax of £7,497 (£5,688) stated earnings per 5p share dropped from 5.13p to 2.53p. The dividend is, however, maintained at 1p net.

BOARD MEETINGS

Company	Date
Interim—Da Best Consolidated	Sept 3
Mina, Pils Indmar, Fleming Mercantile	Aug 26
Investment Trust, Malyna, Nineteen	Aug 28
Twenty-Eight Investments Trust, Remo-	Aug 22
hil, Standard Chartered, Systems	Aug 21
Designers, Teak Force,	Sept 4
Photo—Acropolis Engineering, Gelf	Aug 28
Fields of South Africa,	Aug 28
FUTURE DATES	
Interim—	
ASO	Sept 3
American Trust	Aug 26
Aut and Wilbur	Aug 28
Cello's	Aug 21
Crouch (Derek)	Sept 4
Edinburgh Fund Managers	Aug 28
Evans Halshaw	Sept 2
Ex-Lenda	Aug 26
Fore	Aug 21
Gold and Bass Newton Mines	Aug 26
Leibnitz	Aug 28
Nordic Systems	Sept 2
Taylor Woodrow	Aug 26
Final—	
Green (Ernest)	Sept 15

U.S. \$400,000,000
BANQUE FRANÇAISE DU COMMERCE EXTERIEUR
 Guaranteed Floating Rate
 Notes Due 1997
 For the three months August 19, 1986 to November 19, 1986 the Notes will bear interest at 6 1/4% per annum. US\$154.51 will be payable on November 19, 1986 per \$10,000 principal amount of Notes.

Richard Tomkins previews the flotation of European Home Products The Singer makes a comeback

A NEW chapter in the history of Singer sewing machines is about to be written with the flotation next month of European Home Products, the company formed last year to buy out the distribution rights to Singer-branded products throughout most of Europe.

For the benefit of latecomers, the story so far can quickly be told.

In the mid-19th century Isaac Merritt Singer, an American, invented the mass-produced sewing machine and gave birth to what was soon to become one of the strongest brand names in the world.

About a hundred years later Mahatma Gandhi, who learned to sew on a Singer while imprisoned in India, described the machine as one of the few useful things ever invented.

By the late 1970s, however, the increasing availability of cheap and attractive clothes in chain stores had undermined the sewing machine's function as a money-saving device, and sales in the developed countries went into decline. Singer, the US manufacturer of the world's best-selling machine, reacted by diversifying into a range of other activities.

In Europe, Singer's sewing machine sales were being further squeezed by tough competition from other makers—particularly those in the Far East—and by the onset of a severe recession. It closed Britain's last sewing machine factory on Clydebank, Scotland, with the loss of 5,000 jobs and embarked on a programme of severe rationalisation, but failed to quell heavy losses.

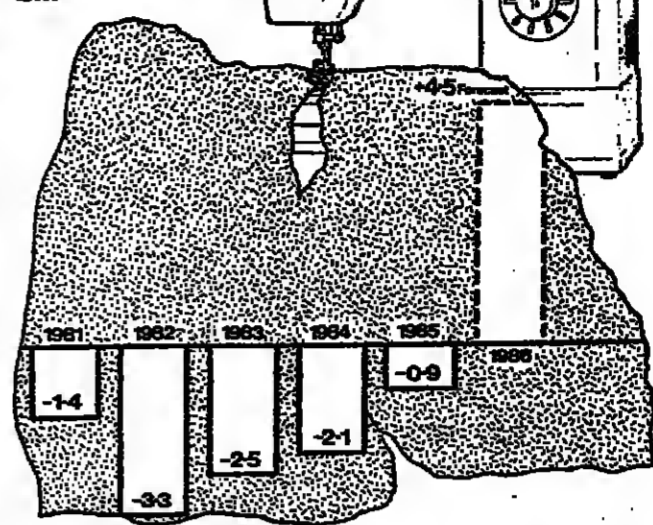
In 1983, exhausted by the effort of trying to turn its European operations round, it sold them off for just £10m to a group of investors led by European Home Products' present chairman, Mr Harry Gittes.

As a coda to the story, Singer has since washed its hands of the sewing machine industry almost entirely by spinning off its manufacturing operations to a newly-heralded US company called SSMC.

EHP's heritage comprises the distribution rights to Singer-branded products in Austria, Belgium, Denmark, Finland, Italy, the Netherlands, Norway, Sweden, Spain, Portugal, West Germany, and the UK, some 360 of its own Singer shops together with another 1,700 franchised dealers; and Singer's European management team headed by Mr Douglas Ash—now EHP's managing director.

According to Mr Ash, Singer's

EUROPEAN HOME PRODUCTS Pre-tax Profit/Loss £m



inability to make money in Europe was more a matter of attitude than market forces. "Singer was always a manufacturing-led operation and only ever saw its European shops as outlets for the machines coming out of its factories. It never set out to be a retailer; we had new retailing concepts in mind but it would never have taken them because they were taking it away from sewing machines, and that wasn't really in their strategy."

On winning independence, EHP embarked on a programme of radical change. Management was decentralised, local incentives were introduced, and the retrenchment programme was thrown into reverse.

EHP's strategy is not just to build on its leading market share of sewing machine sales, but to increase the proportion of sales coming from related products. This year, sales of sewing machines are projected to fall to 44 per cent of the group's likely turnover of £120m, compared with 48 per cent of last year's £107m.

Although the volume of sewing machine sales will be slightly down this year, Mr Ash says that the market generally is showing signs of an upturn.

"Women are using their leisure time more creatively nowadays, and they are using sewing machines and knitting

machines because of the pleasure they get from creating a unique fashion garment."

EHP is exploiting this trend by increasing the fashion orientation of its shops. The aim is to provide the customer with everything she needs to create the desired look: not just the hardware—the machines themselves—but the ideas, the fabrics, and all the accessories from needles to imitation jewellery.

In The Hague, the Netherlands, EHP has just opened an experimental shop called *Idee*, intended to be the first of a chain, which exploits the fashion notion to the full.

"What George Davies has done for Next, we are going to do with *Idee*," says Mr Ash.

In the south of Europe, the strategy is slightly different. In Spain and Portugal, Singer is a well-known brand name in a range of household appliances; for example, in Portugal it has 20 per cent of video recorder sales. Here, EHP aims to be a *Dixons* rather than a *Next*.

The measures taken by EHP so far have already had a dramatic effect on profitability. In the seven months before the acquisition by EHP last August, Singer's European operations lost £1.4m. In the five months after the acquisition, EHP made enough profits to cut the loss for the year to £900,000. For the

current year it is likely to be forecasting up to £4.5m pre-tax, although much of the improvement will come from the Italian operation which was only acquired in February.

EHP is expected to come to the London stock market at a value of about £85m through an offer for sale sponsored by brokers De Zoete & Bevan. Some £15m to £20m will be raised.

London has been chosen as the market for EHP's flotation because the company is UK-based—in Basingstoke, Hampshire—and because the City is perceived as Europe's most important financial centre. Mr Ash, however, concedes that there is a touch of irony in the choice, for Britain was worse hit by Singer's rationalisation programme than any other European country. More than 400 shops were either closed or converted into dealerships.

"Many people in Britain today think that Singer has gone out of business. We have a tremendous rebuilding job to do," says Mr Ash.

Among the more difficult arguments which EHP is going to have to win at its flotation is over the extent of its dependence on SSMC. EHP is committed to buying all its machines from SSMC's factories in Brazil, Italy and Taiwan, so it is heavily reliant for a high proportion of its turnover on SSMC's ability to bring out a competitive product.

Mr Ash argues that SSMC's takeover of Singer's manufacturing operations is all to the good. "It was obvious that Singer was no longer interested in its sewing machine business, but SSMC will live or die by its ability to bring out successful machines."

If the worst should happen, EHP is also protected by what Mr Ash terms *The Domesday Scenario*. This provides for EHP to procure machines from any source and still sell them under the Singer brand in the event that SSMC should ever cease production.

Overall, then, it is a confident Mr Ash who approaches the London stock market. "We have a good management team in place, enormous strength in the brand name, and one of the largest retailing networks in Europe. If I can't take this business and do something pretty exciting with it over the next five years, I should not be sitting here. In fact," he observes wryly, "I probably won't be."

Air Call plans restructure

BY CHARLES BATCHELOR

Air Call, the radio communications group which was one of the first entrants to the Unlisted Securities Market, plans a restructuring which would remove its USM status and give BellSouth, the US telephone group, a 40 per cent stake in its equity.

The reconstruction will take the form of a scheme of arrangement under which Air Call Holdings, an unlisted group which already owns 58.7 per cent of Air Call, will make an offer for the £2.34m USM quoted shares. Holdings will offer a one-for-one share swap or 22.5p cash for every share in a deal which values Air Call at £12.8m.

Air Call made a pre-tax loss in 1985 for the first time since moving to the USM in 1981

and expects profits and dividends to suffer over the next few years, because of the need to finance larger than expected spending programmes to maintain market share.

The deregulation of the British telecommunications market has brought in new competitors and led to a far faster rate of growth of the markets than was foreseen in 1980-81 when Air Call was preparing for its USM quotation, said Mr Warren Taylor, the chairman, yesterday.

"The USM was very good to us but the playing field has changed," he added. "There is a de facto duopoly of BT and Mercury which make it difficult for the small company."

"We have not got the returns for shareholders over the past five years because markets

have been moving so fast. We will make profits in the late 1980s but it will be a hard struggle in a very volatile environment."

Air Call moved from a pre-tax profit of £230,000 on turnover of £33.7m in 1984 to a loss of £40.1m last year.

Air Call held talks with several telecommunications groups before reaching agreement with BellSouth, the Atlanta, Georgia-based telephone group serving the south-eastern US. This deal is BellSouth's first direct involvement in the UK market.

When the reorganisation is completed Bell South will take a 40 per cent stake in Air Call. Air Call was advised by Kleinwort Greaveson and Holdings by Arthurthor Latham Bank.

ALBRIGHT & WILSON LTD 1986 HALF YEAR RESULTS

1985		£ million	1986
1st 6 Months	2nd 6 Months		1st 6 Months
333.0	309.4	Sales	327.6
24.9	16.4	Profit before interest and taxation	24.1
20.9	22.1	Capital expenditure	12.2

These figures relate to the Group managed by Albright & Wilson, including companies owned directly by Tenneco.

- Sales decreased by 2% and profits by 3% over the first six months of 1986 mainly because of the impact of exchange rates on the overseas results.
- UK profits improved.
- Overseas operations in local currencies increased sales by 13% but profits were 12% lower owing to difficult trading conditions in North America and Italy.
- The Group return on capital (trading profit on average net assets employed) remained at 15%.
- Capital expenditure was 40% down on last year mainly because of lower expenditure in Canada.
- The flame retardants business in Phosphates Division gained a Queen's Award for Export Achievement.

ALBRIGHT & WILSON International in chemicals
 1 Knightsbridge Green, London SW1X 7QD.

NOTICE OF REDEMPTION

To the Holders of

U.S. \$100,000,000 UNITED TECHNOLOGIES FINANCE (NETHERLANDS ANTILLES) N.V.
 12 1/2% Guaranteed Notes due October 15, 1989

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of Condition 6(a) of the above-described Notes and Section 4(c) of the Fiscal and Paying Agency Agreement dated as of October 15, 1982 among United Technologies Finance (Netherlands Antilles) N.V., United Technologies Corporation, Guarantor, and Morgan Guaranty Trust Company of New York, Fiscal and Paying Agent, United Technologies Finance (Netherlands Antilles) N.V. intends to redeem on October 15, 1986 all of the 12 1/2% guaranteed Notes due October 15, 1989 at a redemption price of 101% of the principal amount thereof.

Payment will be made in U.S. Dollars on and after October 15, 1986 upon presentation and surrender of the above Registered Notes or Bearer Notes with coupons due October 15, 1986 and subsequent coupons attached, subject to applicable laws and regulations, either (a) at the office of the Fiscal and Paying Agent in New York City, or (b) at the main offices of Morgan Guaranty Trust Company in Brussels, Frankfurt-am-Main, London and Paris or Amsterdam-Rotterdam Bank N.V. in Amsterdam or Swiss Bank Corporation in Basle or Kredietbank S.A. Luxembourg/office in Luxembourg.

Payments at the office of any paying agent outside of the United States will be made by check drawn on, or transfer to a United States dollar account with, a bank in the Borough of Manhattan, City and State of New York.

Any payment by transfer to an account maintained by the payee with a bank in the United States may be subject to reporting to the United States Internal Revenue Service (IRS) and to backup withholding at a rate of 20% on both principal and interest if the payee is not recognized as an exempt recipient and fails to provide the paying agent with an executed IRS Form W-8, certifying under penalties of perjury that the payee is not a United States person or an executed IRS Form W-9, certifying under penalties of perjury the payee's taxpayer identification number (employer identification number or social security number, as appropriate). Those holders who are required to provide their correct taxpayer identification number on Internal Revenue Service Form W-9 and fail to do so may also be subject to a penalty of 30%. Any person receiving payment to an account at a bank in the U.S. should therefore provide the appropriate certification when presenting their securities for payment.

Bearer Notes surrendered for payment should have attached all unmatured coupons appurtenant thereto. Coupons due October 15, 1986 should be detached and collected in the usual manner. Interest accrued to October 15, 1986 will be paid to Registered Noteholders in the usual manner. From and after October 15, 1986 interest shall cease to accrue on the Notes.

UNITED TECHNOLOGIES FINANCE (NETHERLANDS ANTILLES) N.V.

Dated: August 19, 1986

EQUITIES

Table of equity prices with columns for Issue, Price, and various financial metrics.

FIXED INTEREST STOCKS

Table of fixed interest stocks with columns for Issue, Price, and interest rates.

'RIGHTS' OFFERS

Table of rights offers with columns for Issue, Price, and terms.

AUTHORISED UNIT TRUSTS

Table of authorized unit trusts with columns for Name, Price, and details.

FT UNIT TRUST INFORMATION SERVICE

Large table of unit trust information with multiple columns for Name, Price, and details.

Financial Times unit trust data for the day for dealing time of stamp duty. A financial dividend...

'85 PROGRAMME: For the first time, the Financial Times has documented the surveys which were published in 1985...

F.T. CROSSWORD PUZZLE No. 6,103

Crossword puzzle grid with clues for Across and Down.

Solution to Puzzle No. 6,102: 1 Across: You should be switched on by this (8,4)...

Financial Times unit trust data for the day for dealing time of stamp duty. A financial dividend...

'85 PROGRAMME: For the first time, the Financial Times has documented the surveys which were published in 1985...

F.T. CROSSWORD PUZZLE No. 6,103

Crossword puzzle grid with clues for Across and Down.

Solution to Puzzle No. 6,102: 1 Across: You should be switched on by this (8,4)...

Financial Times unit trust data for the day for dealing time of stamp duty. A financial dividend...

'85 PROGRAMME: For the first time, the Financial Times has documented the surveys which were published in 1985...

F.T. CROSSWORD PUZZLE No. 6,103

Crossword puzzle grid with clues for Across and Down.

Solution to Puzzle No. 6,102: 1 Across: You should be switched on by this (8,4)...

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar stays in narrow range

THE DOLLAR remained within its recent trading range yesterday. Volatility was low because of the summer holiday season and ahead of today's second quarter revision to US GNP figures. This is not expected to show much change from the previous estimate of a 1.1 per cent rise but with capacity utilization showing a fall in July of 78.3 per cent compared with a revised 78.4 per cent in June and 78.8 per cent in May, there was little change in sentiment. Most traders now expect a cut in the discount rate over the next month or so.

£ IN NEW YORK

Table with columns: Aug 18, Latest, Prev. close. Rows: Spot, 1 month, 3 months, 6 months, Forward premiums and discounts.

on Friday. This came despite recent speculation that the West German discount rate may be cut since such a move would prompt similar reductions elsewhere. The D-Mark was also stronger against the Danish krone with currency dealers still unimpressed by the Danish Government's ability to avoid devaluation of the krone in the face of a chronic trade deficit.

D-MARK

The D-Mark slipped from the day's high against the dollar in Frankfurt but showed some strength against the French franc and Danish krone. Trading volume was on the low side ahead of today's revision to second quarter US GNP although this is not expected to show much change. The dollar closed at DM 2.0640 compared with DM 2.0620 on Friday. Despite the dollar's recovery from earlier levels, the dollar's undertone remained bearish.

FINANCIAL FUTURES

Quiet trading

TRADING was lacklustre and featureless in the London International Financial Futures Exchange yesterday. Starting bid instruments derived little inspiration from an unchanged cash market and a steady pound while euro-dollar and US bonds were held in limbo ahead of today's second quarter revision to US GNP. Even this is not generally expected to provide

through 93.96 which has proved to be a stubborn resistance level.

After trading in a four point range the September price closed at 93.90. UK leg gilt opened at 120.17 for September delivery down from 120.19 on Friday and eased to 120.15 before recovering on better than expected FCSI figures to 120.21. However there was little follow through interest and values retreated to a low of 120.11 before finishing at 120.18. Despite the lack of interest the September contract still recouped over 3,500 lots traded.

LIFFE LONG BILLY FUTURES OPTIONS

Table with columns: Strike, Price, Call, Put, Last, etc. Rows: 118, 122, 126, 130, 134, 138, 142, 146, 150, 154, 158, 162, 166, 170, 174, 178, 182, 186, 190, 194, 198, 202, 206, 210, 214, 218, 222, 226, 230, 234, 238, 242, 246, 250, 254, 258, 262, 266, 270, 274, 278, 282, 286, 290, 294, 298, 302, 306, 310, 314, 318, 322, 326, 330, 334, 338, 342, 346, 350, 354, 358, 362, 366, 370, 374, 378, 382, 386, 390, 394, 398, 402, 406, 410, 414, 418, 422, 426, 430, 434, 438, 442, 446, 450, 454, 458, 462, 466, 470, 474, 478, 482, 486, 490, 494, 498, 502, 506, 510, 514, 518, 522, 526, 530, 534, 538, 542, 546, 550, 554, 558, 562, 566, 570, 574, 578, 582, 586, 590, 594, 598, 602, 606, 610, 614, 618, 622, 626, 630, 634, 638, 642, 646, 650, 654, 658, 662, 666, 670, 674, 678, 682, 686, 690, 694, 698, 702, 706, 710, 714, 718, 722, 726, 730, 734, 738, 742, 746, 750, 754, 758, 762, 766, 770, 774, 778, 782, 786, 790, 794, 798, 802, 806, 810, 814, 818, 822, 826, 830, 834, 838, 842, 846, 850, 854, 858, 862, 866, 870, 874, 878, 882, 886, 890, 894, 898, 902, 906, 910, 914, 918, 922, 926, 930, 934, 938, 942, 946, 950, 954, 958, 962, 966, 970, 974, 978, 982, 986, 990, 994, 998, 1002, 1006, 1010, 1014, 1018, 1022, 1026, 1030, 1034, 1038, 1042, 1046, 1050, 1054, 1058, 1062, 1066, 1070, 1074, 1078, 1082, 1086, 1090, 1094, 1098, 1102, 1106, 1110, 1114, 1118, 1122, 1126, 1130, 1134, 1138, 1142, 1146, 1150, 1154, 1158, 1162, 1166, 1170, 1174, 1178, 1182, 1186, 1190, 1194, 1198, 1202, 1206, 1210, 1214, 1218, 1222, 1226, 1230, 1234, 1238, 1242, 1246, 1250, 1254, 1258, 1262, 1266, 1270, 1274, 1278, 1282, 1286, 1290, 1294, 1298, 1302, 1306, 1310, 1314, 1318, 1322, 1326, 1330, 1334, 1338, 1342, 1346, 1350, 1354, 1358, 1362, 1366, 1370, 1374, 1378, 1382, 1386, 1390, 1394, 1398, 1402, 1406, 1410, 1414, 1418, 1422, 1426, 1430, 1434, 1438, 1442, 1446, 1450, 1454, 1458, 1462, 1466, 1470, 1474, 1478, 1482, 1486, 1490, 1494, 1498, 1502, 1506, 1510, 1514, 1518, 1522, 1526, 1530, 1534, 1538, 1542, 1546, 1550, 1554, 1558, 1562, 1566, 1570, 1574, 1578, 1582, 1586, 1590, 1594, 1598, 1602, 1606, 1610, 1614, 1618, 1622, 1626, 1630, 1634, 1638, 1642, 1646, 1650, 1654, 1658, 1662, 1666, 1670, 1674, 1678, 1682, 1686, 1690, 1694, 1698, 1702, 1706, 1710, 1714, 1718, 1722, 1726, 1730, 1734, 1738, 1742, 1746, 1750, 1754, 1758, 1762, 1766, 1770, 1774, 1778, 1782, 1786, 1790, 1794, 1798, 1802, 1806, 1810, 1814, 1818, 1822, 1826, 1830, 1834, 1838, 1842, 1846, 1850, 1854, 1858, 1862, 1866, 1870, 1874, 1878, 1882, 1886, 1890, 1894, 1898, 1902, 1906, 1910, 1914, 1918, 1922, 1926, 1930, 1934, 1938, 1942, 1946, 1950, 1954, 1958, 1962, 1966, 1970, 1974, 1978, 1982, 1986, 1990, 1994, 1998, 2002, 2006, 2010, 2014, 2018, 2022, 2026, 2030, 2034, 2038, 2042, 2046, 2050, 2054, 2058, 2062, 2066, 2070, 2074, 2078, 2082, 2086, 2090, 2094, 2098, 2102, 2106, 2110, 2114, 2118, 2122, 2126, 2130, 2134, 2138, 2142, 2146, 2150, 2154, 2158, 2162, 2166, 2170, 2174, 2178, 2182, 2186, 2190, 2194, 2198, 2202, 2206, 2210, 2214, 2218, 2222, 2226, 2230, 2234, 2238, 2242, 2246, 2250, 2254, 2258, 2262, 2266, 2270, 2274, 2278, 2282, 2286, 2290, 2294, 2298, 2302, 2306, 2310, 2314, 2318, 2322, 2326, 2330, 2334, 2338, 2342, 2346, 2350, 2354, 2358, 2362, 2366, 2370, 2374, 2378, 2382, 2386, 2390, 2394, 2398, 2402, 2406, 2410, 2414, 2418, 2422, 2426, 2430, 2434, 2438, 2442, 2446, 2450, 2454, 2458, 2462, 2466, 2470, 2474, 2478, 2482, 2486, 2490, 2494, 2498, 2502, 2506, 2510, 2514, 2518, 2522, 2526, 2530, 2534, 2538, 2542, 2546, 2550, 2554, 2558, 2562, 2566, 2570, 2574, 2578, 2582, 2586, 2590, 2594, 2598, 2602, 2606, 2610, 2614, 2618, 2622, 2626, 2630, 2634, 2638, 2642, 2646, 2650, 2654, 2658, 2662, 2666, 2670, 2674, 2678, 2682, 2686, 2690, 2694, 2698, 2702, 2706, 2710, 2714, 2718, 2722, 2726, 2730, 2734, 2738, 2742, 2746, 2750, 2754, 2758, 2762, 2766, 2770, 2774, 2778, 2782, 2786, 2790, 2794, 2798, 2802, 2806, 2810, 2814, 2818, 2822, 2826, 2830, 2834, 2838, 2842, 2846, 2850, 2854, 2858, 2862, 2866, 2870, 2874, 2878, 2882, 2886, 2890, 2894, 2898, 2902, 2906, 2910, 2914, 2918, 2922, 2926, 2930, 2934, 2938, 2942, 2946, 2950, 2954, 2958, 2962, 2966, 2970, 2974, 2978, 2982, 2986, 2990, 2994, 2998, 3002, 3006, 3010, 3014, 3018, 3022, 3026, 3030, 3034, 3038, 3042, 3046, 3050, 3054, 3058, 3062, 3066, 3070, 3074, 3078, 3082, 3086, 3090, 3094, 3098, 3102, 3106, 3110, 3114, 3118, 3122, 3126, 3130, 3134, 3138, 3142, 3146, 3150, 3154, 3158, 3162, 3166, 3170, 3174, 3178, 3182, 3186, 3190, 3194, 3198, 3202, 3206, 3210, 3214, 3218, 3222, 3226, 3230, 3234, 3238, 3242, 3246, 3250, 3254, 3258, 3262, 3266, 3270, 3274, 3278, 3282, 3286, 3290, 3294, 3298, 3302, 3306, 3310, 3314, 3318, 3322, 3326, 3330, 3334, 3338, 3342, 3346, 3350, 3354, 3358, 3362, 3366, 3370, 3374, 3378, 3382, 3386, 3390, 3394, 3398, 3402, 3406, 3410, 3414, 3418, 3422, 3426, 3430, 3434, 3438, 3442, 3446, 3450, 3454, 3458, 3462, 3466, 3470, 3474, 3478, 3482, 3486, 3490, 3494, 3498, 3502, 3506, 3510, 3514, 3518, 3522, 3526, 3530, 3534, 3538, 3542, 3546, 3550, 3554, 3558, 3562, 3566, 3570, 3574, 3578, 3582, 3586, 3590, 3594, 3598, 3602, 3606, 3610, 3614, 3618, 3622, 3626, 3630, 3634, 3638, 3642, 3646, 3650, 3654, 3658, 3662, 3666, 3670, 3674, 3678, 3682, 3686, 3690, 3694, 3698, 3702, 3706, 3710, 3714, 3718, 3722, 3726, 3730, 3734, 3738, 3742, 3746, 3750, 3754, 3758, 3762, 3766, 3770, 3774, 3778, 3782, 3786, 3790, 3794, 3798, 3802, 3806, 3810, 3814, 3818, 3822, 3826, 3830, 3834, 3838, 3842, 3846, 3850, 3854, 3858, 3862, 3866, 3870, 3874, 3878, 3882, 3886, 3890, 3894, 3898, 3902, 3906, 3910, 3914, 3918, 3922, 3926, 3930, 3934, 3938, 3942, 3946, 3950, 3954, 3958, 3962, 3966, 3970, 3974, 3978, 3982, 3986, 3990, 3994, 3998, 4002, 4006, 4010, 4014, 4018, 4022, 4026, 4030, 4034, 4038, 4042, 4046, 4050, 4054, 4058, 4062, 4066, 4070, 4074, 4078, 4082, 4086, 4090, 4094, 4098, 4102, 4106, 4110, 4114, 4118, 4122, 4126, 4130, 4134, 4138, 4142, 4146, 4150, 4154, 4158, 4162, 4166, 4170, 4174, 4178, 4182, 4186, 4190, 4194, 4198, 4202, 4206, 4210, 4214, 4218, 4222, 4226, 4230, 4234, 4238, 4242, 4246, 4250, 4254, 4258, 4262, 4266, 4270, 4274, 4278, 4282, 4286, 4290, 4294, 4298, 4302, 4306, 4310, 4314, 4318, 4322, 4326, 4330, 4334, 4338, 4342, 4346, 4350, 4354, 4358, 4362, 4366, 4370, 4374, 4378, 4382, 4386, 4390, 4394, 4398, 4402, 4406, 4410, 4414, 4418, 4422, 4426, 4430, 4434, 4438, 4442, 4446, 4450, 4454, 4458, 4462, 4466, 4470, 4474, 4478, 4482, 4486, 4490, 4494, 4498, 4502, 4506, 4510, 4514, 4518, 4522, 4526, 4530, 4534, 4538, 4542, 4546, 4550, 4554, 4558, 4562, 4566, 4570, 4574, 4578, 4582, 4586, 4590, 4594, 4598, 4602, 4606, 4610, 4614, 4618, 4622, 4626, 4630, 4634, 4638, 4642, 4646, 4650, 4654, 4658, 4662, 4666, 4670, 4674, 4678, 4682, 4686, 4690, 4694, 4698, 4702, 4706, 4710, 4714, 4718, 4722, 4726, 4730, 4734, 4738, 4742, 4746, 4750, 4754, 4758, 4762, 4766, 4770, 4774, 4778, 4782, 4786, 4790, 4794, 4798, 4802, 4806, 4810, 4814, 4818, 4822, 4826, 4830, 4834, 4838, 4842, 4846, 4850, 4854, 4858, 4862, 4866, 4870, 4874, 4878, 4882, 4886, 4890, 4894, 4898, 4902, 4906, 4910, 4914, 4918, 4922, 4926, 4930, 4934, 4938, 4942, 4946, 4950, 4954, 4958, 4962, 4966, 4970, 4974, 4978, 4982, 4986, 4990, 4994, 4998, 5002, 5006, 5010, 5014, 5018, 5022, 5026, 5030, 5034, 5038, 5042, 5046, 5050, 5054, 5058, 5062, 5066, 5070, 5074, 5078, 5082, 5086, 5090, 5094, 5098, 5102, 5106, 5110, 5114, 5118, 5122, 5126, 5130, 5134, 5138, 5142, 5146, 5150, 5154, 5158, 5162, 5166, 5170, 5174, 5178, 5182, 5186, 5190, 5194, 5198, 5202, 5206, 5210, 5214, 5218, 5222, 5226, 5230, 5234, 5238, 5242, 5246, 5250, 5254, 5258, 5262, 5266, 5270, 5274, 5278, 5282, 5286, 5290, 5294, 5298, 5302, 5306, 5310, 5314, 5318, 5322, 5326, 5330, 5334, 5338, 5342, 5346, 5350, 5354, 5358, 5362, 5366, 5370, 5374, 5378, 5382, 5386, 5390, 5394, 5398, 5402, 5406, 5410, 5414, 5418, 5422, 5426, 5430, 5434, 5438, 5442, 5446, 5450, 5454, 5458, 5462, 5466, 5470, 5474, 5478, 5482, 5486, 5490, 5494, 5498, 5502, 5506, 5510, 5514, 5518, 5522, 5526, 5530, 5534, 5538, 5542, 5546, 5550, 5554, 5558, 5562, 5566, 5570, 5574, 5578, 5582, 5586, 5590, 5594, 5598, 5602, 5606, 5610, 5614, 5618, 5622, 5626, 5630, 5634, 5638, 5642, 5646, 5650, 5654, 5658, 5662, 5666, 5670, 5674, 5678, 5682, 5686, 5690, 5694, 5698, 5702, 5706, 5710, 5714, 5718, 5722, 5726, 5730, 5734, 5738, 5742, 5746, 5750, 5754, 5758, 5762, 5766, 5770, 5774, 5778, 5782, 5786, 5790, 5794, 5798, 5802, 5806, 5810, 5814, 5818, 5822, 5826, 5830, 5834, 5838, 5842, 5846, 5850, 5854, 5858, 5862, 5866, 5870, 5874, 5878, 5882, 5886, 5890, 5894, 5898, 5902, 5906, 5910, 5914, 5918, 5922, 5926, 5930, 5934, 5938, 5942, 5946, 5950, 5954, 5958, 5962, 5966, 5970, 5974, 5978, 5982, 5986, 5990, 5994, 5998, 6002, 6006, 6010, 6014, 6018, 6022, 6026, 6030, 6034, 6038, 6042, 6046, 6050, 6054, 6058, 6062, 6066, 6070, 6074, 6078, 6082, 6086, 6090, 6094, 6098, 6102, 6106, 6110, 6114, 6118, 6122, 6126, 6130, 6134, 6138, 6142, 6146, 6150, 6154, 6158, 6162, 6166, 6170, 6174, 6178, 6182, 6186, 6190, 6194, 6198, 6202, 6206, 6210, 6214, 6218, 6222, 6226, 6230, 6234, 6238, 6242, 6246, 6250, 6254, 6258, 6262, 6266, 6270, 6274, 6278, 6282, 6286, 6290, 6294, 6298, 6302, 6306, 6310, 6314, 6318, 6322, 6326, 6330, 6334, 6338, 6342, 6346, 6350, 6354, 6358, 6362, 6366, 6370, 6374, 6378, 6382, 6386, 6390, 6394, 6398, 6402, 6406, 6410, 6414, 6418, 6422, 6426, 6430, 6434, 6438, 6442, 6446, 6450, 6454, 6458, 6462, 6466, 6470, 6474, 6478, 6482, 6486, 6490, 6494, 6498, 6502, 6506, 6510, 6514, 6518, 6522, 6526, 6530, 6534, 6538, 6542, 6546, 6550, 6554, 6558, 6562, 6566, 6570, 6574, 6578, 6582, 6586, 6590, 6594, 6598, 6602, 6606, 6610, 6614, 6618, 6622, 6626, 6630, 6634, 6638, 6642, 6646, 6650, 6654, 6658, 6662, 6666, 6670, 6674, 6678, 6682, 6686, 6690, 6694, 6698, 6702, 6706, 6710, 6714, 6718, 6722, 6726, 6730, 6734, 6738, 6742, 6746, 6750, 6754, 6758, 6762, 6766, 6770, 6774, 6778, 6782, 6786, 6790, 6794, 6798, 6802, 6806, 6810, 6814, 6818, 6822, 6826, 6830, 6834, 6838, 6842, 6846, 6850, 6854, 6858, 6862, 6866, 6870, 6874, 6878, 6882, 6886, 6890, 6894, 6898, 6902, 6906, 6910, 6914, 6918, 6922, 6926, 6930, 6934, 6938, 6942, 6946, 6950, 6954, 6958, 6962, 6966, 6970, 6974, 6978, 6982, 6986, 6990, 6994, 6998, 7002, 7006, 7010, 7014, 7018, 7022, 7026, 7030, 7034, 7038, 7042, 7046, 7050, 7054, 7058, 7062, 7066, 7070, 7074, 7078, 7082, 7086, 7090, 7094, 7098, 7102, 7106, 7110, 7114, 7118, 7122, 7126, 7130, 7134, 7138, 7142, 7146, 7150, 7154, 7158, 7162, 7166, 7170, 7174, 7178, 7182, 7186, 7190, 7194, 7198, 7202, 7206, 7210, 7214, 7218, 7222, 7226, 7230, 7234, 7238, 7242, 7246, 7250, 7254, 7258, 7262, 7266, 7270, 7274, 7278, 7282, 7286, 7290, 7294, 7298, 7302, 7306, 7310, 7314, 7318, 7322, 7326, 7330, 7334, 7338, 7342, 7346, 7350, 7354, 7358, 7362, 7366, 7370, 7374, 7378, 7382, 7386, 7390, 7394, 7398, 7402, 7406, 7410, 7414, 7418, 7422, 7426, 7430, 7434, 7438, 7442, 7446, 7450, 7454, 7458, 7462, 7466, 7470, 7474, 7478, 7482, 7486, 7490, 7494, 7498, 7502, 7506, 7510, 7514, 7518, 7522, 7526, 7530, 7534, 7538, 7542, 7546, 7550, 7554, 7558, 7562, 7566, 7570, 7574, 7578, 7582, 7586, 7590, 7594, 7598, 7602, 7606, 7610, 7614, 7618, 7622, 7626, 7630, 7634, 7638, 7642, 7646, 7650, 7654, 7658, 7662, 7666, 7670, 7674, 7678, 7682, 7686, 7690, 7694, 7698, 7702,

BRITISH FUNDS

Table of British Funds with columns for Name, Price, and Dividend. Includes sections for 'Shorts' (Lives up to Five Years) and 'Five to Fifteen Years'.

AMERICANS—Cont.

Table of American Stocks with columns for Name, Price, and Dividend. Includes sections for 'Five to Fifteen Years' and 'Over Fifteen Years'.

CANADIANS

Table of Canadian Stocks with columns for Name, Price, and Dividend.

LONDON SHARE SERVICE

BUILDING, TIMBER, ROADS—Cont.

Table of Building, Timber, and Roads stocks with columns for Name, Price, and Dividend.

DRAPERY & STORES—Cont.

Table of Drapery and Stores stocks with columns for Name, Price, and Dividend.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics stocks with columns for Name, Price, and Dividend.

BANKS, HP & LEASING

Table of Banks, HP & Leasing stocks with columns for Name, Price, and Dividend.

ENGINEERING—Continued

Table of Engineering stocks with columns for Name, Price, and Dividend.

INDUSTRIALS—Continued

Table of Industrials stocks with columns for Name, Price, and Dividend.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. stocks with columns for Name, Price, and Dividend.

INDEX-LINKED

Table of Index-Linked stocks with columns for Name, Price, and Dividend.

UNDATED

Table of Undated stocks with columns for Name, Price, and Dividend.

CORPORATION LOANS

Table of Corporation Loans with columns for Name, Price, and Dividend.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Name, Price, and Dividend.

LOANS

Table of Loans with columns for Name, Price, and Dividend.

PURCHASE, LEASING, ETC.

Table of Purchase, Leasing, Etc. with columns for Name, Price, and Dividend.

BEERS, WINES & SPIRITS

Table of Beers, Wines & Spirits with columns for Name, Price, and Dividend.

FINANCIAL

Table of Financial stocks with columns for Name, Price, and Dividend.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Name, Price, and Dividend.

INT. BANK AND DEBS GOVT FINANCING ISSUES

Table of International Bank and Debts, Government Financing Issues.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans.

LOANS

Table of Loans.

PURCHASE, LEASING, ETC.

Table of Purchase, Leasing, Etc.

BEERS, WINES & SPIRITS

Table of Beers, Wines & Spirits.

FINANCIAL

Table of Financial.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

AMERICANS

Table of Americans.

Spit in it

INDUSTRIALS - Continued. Table listing various industrial stocks with columns for stock name, price, and other financial metrics.

PROPERTY - Continued. Table listing property-related stocks and companies, including details on shares and prices.

INVESTMENT TRUSTS - Cont. Table listing investment trusts and their performance metrics, including high and low prices.

FINANCE, LAND - Cont. Table listing finance and land-related stocks, including bank shares and land development companies.

MINES - Continued. Table listing mining stocks from various regions, including Central African, Eastern Rand, and Far West Rand.

NOTES. Informational text providing details on stock listings, exchange rates, and other market-related information.

LONDON STOCK EXCHANGE

Equities quietly extend advance for sixth consecutive session

Account Dealing Dates
Option
*First Declara- Last Account
Dealings Days Dealings Day

Settlement Day influences-
the previous trading Account
was costly for many short-term
professional investors-restricted
trade but the majority of blue
chip stocks extended last week's
sustained rise. For the sixth
session in a row, the FT indices
advanced, the FT Ordinary share
closing 2.8 up at 1273.6 and the
FT-SE 100 share 7.1 higher at
1009.0. The latter's movement
was accentuated by its weighting
towards oil stocks, one of the
husier and brighter sectors
yesterday.

The firmness of US oils on
Friday influenced the market
and demand was also generated
by London reports that the
outlook for crude oil prices. Leading
broking house Phillips and Drew
view the situation favourably and
think that spot prices should be
sustained at around \$15 per barrel
for the next 18 months.
British Petroleum were well
supported and ended 10 up at 610p,
while British Gas rose 1.5p to
recover to settle 7 dearer at
130p.

Buying of other leading shares
was more selective and often
concentrated in stocks generally
on a short-term basis. The
outlook for major selling was once again
a feature with dealers grateful for
any small sales of a profit-taking
nature. Some situation issues
attracted interest and business
also developed in shares recom-
mended via the weekend press
columns.

Breweries claimed attention
on widespread early speculation
that Scottish and Newcastle was
set to purchase John Smith's, the
Northern arm of Hanson Trust's
Courage empire, or Mount Charles
lote investments. In the event,
S & N's agreed acquisition of
Nottingham-based Home Brewery,
although a surprise, was
agreed with a caution amount
of 17p to close a net 8 up at
190p, while shares in Home,
Dewar, under special rule at
matchless bargains, were
traded at a basic price of £15.50,
the latter's 5 1/2 per cent convertible
preference closed at 8p basis.
Matthew Brown, the Blackburn-
based concern which only last
year dipped 30 to 46p as some
investors thought it unlikely
that the latter would renew its
efforts, is at a near-30
per cent stake in M. Brown.

News of last month's Public
Sector Borrowing Requirement
of a net £200m repayment failed
to enliven a lacklustre
market. Potential investors
seemed content to await possible
moves on the interest rate front
and longer maturities eased
before rallying to close with
small irregular changes on the
day. The 10p Treasury 3 1/2 per
cent 2007, eased further from
authorities' suspected selling
level of 94 to end 1/2 easier at
92 1/2.

Supported of late on expecta-
tions that the forthcoming TSB

Rotation will be a success, clearing
banks turned irregular yester-
day. Sentiment was unsettled
to a certain extent by news of
Peru's refusal to accept the IMF's
terms for renegotiating its debt
and that a second Oklahoma bank
has required support. Barclays
relinquished 4.5p at 43p as did
NatWest at 51p. Lloyds, how-
ever, moved up 5 to 437p and
Midland hardened a penny to
538p. Bank of Ireland, mean-
while fell 13 to 202p and Allied
Irish cheapened 5 to 235p follow-
ing the Irish Finance Minister's
statement regarding Gilt's com-
mercial changes. Standard Char-
tered rose 8 to 737p in anticipa-
tion of today's interim results.
Among merchant banks, Lloyds
Messers lost 5 to 88p following
profit-taking in the absence of
the widely-rumoured bid from
Argyle Trust, but Goode Durrant
and Murray, in which Imperial
Pacific holds over a 20 per cent
stake, gained 7 to 130p. English
Trust firmed 8 to 133p.

Composite Insurances were
gleaned a fillip by press report
that Allianz gained 12 at 668p
and Royal's appreciated 8 at
822p. Commercial Union put on
a few pence at 908p and GBE
at 822p. Elsewhere, Lloyd's
Broker C. E. Heath fell 8 to
425p after Australian acquisition
details. German concern Allianz
continued strongly at 2810, up
14 points.

Building issues presented a
relatively firm appearance.
Cement shares, out of favour
recently on worries about cheap
Greek imports and fears that the
Office of Fair Trading may over-
turn the price fixing agreement
within the industry, staged a
useful revival. Bine Circle rallied
12 to 538p and Rugby Port-
land picked up 3 to 146p. Elize-
beth closed 5 dearer at 360p
following the preliminary figures.
ICI drifted off to close 1/2 lower
at £10 following comment on the
paint deal with Hanson Trust.
Lower interim profits left Bladen
Industries a penny cheaper at
127p, after 125p.

Stores resilient
The 12 per cent decline in
July retail sales (overall leading
issues retained earlier gains and
finished at or around the day's
best. Burton advanced 6 to 308p,
awaiting news regarding the pos-
sible sale of its Humeys toshoph,
while W. H. Smith, a 1/2 dearer at
1. Sainsbury gained 4 fresh to
388p. Argyll, meanwhile, again
reflected the chairman's bullish
annual statement and closed a
penny added at 40p and 1/2.
Sainsbury gained 4 fresh to
388p. Argyll, meanwhile, again
reflected the chairman's bullish
annual statement and closed a
penny added at 40p and 1/2.

Food Retailers continued to
respond to a De Zoete and Bevan
buy recommendation. Tesco
added 5 more to 40p and 1/2.
Sainsbury gained 4 fresh to
388p. Argyll, meanwhile, again
reflected the chairman's bullish
annual statement and closed a
penny added at 40p and 1/2.

FINANCIAL TIMES STOCK INDICES
Table with columns for indices: Government Sec, Fixed Interest, Ordinary, Gold Mines, Div. Div. Yield, Earnings Yld, P/E Ratio, Total Returns, Equity Turnover, Equity Gains, Shares Traded.

London Report and Latest Share Index: TEL. 01-246 8026

able press mention lifted A. G.
Stanley 5 to 91p, after 84p.
Leading Electricals closed with
little alteration after a slow
day's trading. Thorn EMI ended
a shade harder at 452p following
the television deal with
Nikon Electronics of India. Sele-
tive support was forthcoming for
high technology stocks. Farwell
featured a gain of 15 at 168p,
while Electrocomponents put on
10 to 877p and Exploim gained
7 to 215p. Elsewhere, Air Call
advanced 28 to 218p on news that
BellSouth Corporation is taking
a 40 per cent stake in the com-
munications business of Air Call
following a proposed scheme of
arrangement. CAP Group found
support at 205p, but profit-taking
clipped 4 from Telephone Rentals
at 207p.

Leading Engineers rarely
strayed from previous closing
levels. Among secondary issues,
Crown House were good at 193p,
on 8, on the announcement of
mechanical and electrical ser-
vices contracts with a total value
of over £27m. Birmingham Mint,
still reflecting recent press men-
tion, gained 5 more to 188p.
Occasional support left Lairs a
similar amount higher at 237p,
while interest revived in Tex
Holdings 7 to the good at 157p
and Desmetter, 10 higher at 255p.
PSA continued to 378p following
the share exchange offer from
McKeehan a similar amount off
at 212p.

Leisure issues plotted an
irregular course in this trading.
Revived speculative buying on
asset injection hopes helped
Secor limit rise to 194p, after
21p. 24p, but Nationwide
cheapened 2 1/2 to 68p following
the disappointing interim results.
Samuelson continued to reflect
the chairman's recent cautious
statement with a fresh decline
of 8 to 168p.

Jaguar dipped 18 to 525p fol-
lowing disappointing interim
figures and the cautious
tenor of the accompanying state-
ment. The 12p, however,
Lex Services featured with a gain
of 15 to 320p, while rises of 3
to 305p.

Investment Trusts displayed a
firmer bias. Philip Hill featured
rising 18 more to 318p, while
Rays Trust Co. proposed an
acquisition lifted Grosvenor 5 to
305p. Far Eastern orientated

counters were wanted with
Drayton Japan 10 up at 769p,
and Crescent Japan 6 higher
changed, although Mercantile
Bunge advanced 10 to 372p fol-
lowing news of a proposed joint
venture in Hong Kong with
Winful Securities.

Oils make progress
The strong showing by oils in
US markets on Friday evening
and a firm performance by spot
prices gave an immediate boost
to UK oil shares which attracted
widespread support. Although
closing below the day's best
levels the leading issue displa-
ced good gains across the
board led by Shell, finally 15
up at 870p, after a year's best
of 876p. BP were 10 firmer at
610p, after 613p, despite Press
speculations that the Government
may well sell part of all of its
remaining 31 per cent stake in
the company following the suc-
cessful placing of Guinness's 18.8
per cent stake last week. British
Continued their recent revival
and put on 7 to 130p, after 123p,
while LASMO added 5 at 130p.
Ultrasun 3 to 128p, and IC Gas
a like amount to 430p. Among
secondaries, Premier moved up
2 to 23p and Triton Europe 9
to 106p. Irish exploration issues,
strongly supported late on Fri-
day, came under intense pres-
sure as a result of the Irish
operators were persistent sellers,
and Atlantic Resources dropped
8 to 13p.

Overseas Traders held close to
pre-weekend positions. Inspec-
however, rose a few pence to
401p as brokers of Zoete and
Bevan raised its profits forecast
for the current year to £70.5m.
The easier trend in precious
metal prices and worries over
the US Senate's overwhelming
vote for further American sanc-
tions against the Republic
prompted another decline in
South African mining shares.
Bullion dipped \$5.125 to close
at \$377.75 while platinum, which
closed at the upsurge in gold
last week, came under pressure
throughout the day.

Concern over the possibility of
further US moves against South
Africa caused a sharp reaction by
the Financial Rand, which fell
almost a cent to 10.5 cents and
this led to persistent Johannes-
burg and London selling of gold
and related issues. There were
little signs of a rally in share
prices late in the day - despite
the absence of any significant
selling from the US - and the
Gold Mines index gave up 4.7
more to 234.9.

Platinum registered wide-
spread losses with Impala 15
down at 735p ahead of the pre-
liminary results and Kustanbourg
20 off at 705p. South African
Financials gave ground in front
of important trading statements
from GFS&A and De Beers. GFS&A
dipped 9 to 639p ahead of the
full-year figures scheduled for
today, while De Beers were a
shade easier at 483p; the latter's
interim results are expected this
afternoon.

Australian mines improved
across the board awaiting Tues-
day's Federal budget.

Traded Options
Traded Option volume
remained at a high level with
20,647 contracts struck. Dealers
reported a lively trade through-
out the list although recent
favourite Hanson Trust again
drole the honours with 2,873 calls
and 274 puts transacted. Grand
Metropolitan were active with
2,037 calls traded, while the
interim figures stimulated 799
calls and 643 puts in Jaguar.
The FT-SE 100 index attracted
768 calls and 461 puts.

EUROPEAN OPTIONS EXCHANGE
Table with columns for Series, Vol, Last, Bid, Ask, etc.

YESTERDAY'S ACTIVE STOCKS
Table with columns for Stock, Closing price, Day's change, etc.

FRIDAY'S ACTIVE STOCKS
Table with columns for Stock, No. of contracts, Day's change, etc.

RISES AND FALLS YESTERDAY
Table with columns for Rises, Falls, Same

TRADITIONAL OPTIONS
Table with columns for First Dealings, Last Dealings, etc.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times,
the Institute of Actuaries and the Faculty of Actuaries

Table with columns for Equity Groups & Sub-sections, Monday August 18 1986, Index No., Day's Change, etc.

Table with columns for Fixed Interest, British Government, etc.

NEW HIGHS AND LOWS FOR 1986

NEW HIGHS (73)
BRITISH FUNDS (1) Tesco 2pc 1c 1980
AMERICAN (7) American Express,
Quaker Oats, Southwestern Bell, US
West, Bank of America, Citicorp,
Bank of Montreal, Goodrich,
Murray, PINDRINGS (3) RMC, Vibron,
West Bank, Banca di Sicilia,
Hercules Inc, Morley (R. H.), Thurgar
Borsons, STOREX (1) Stanley (A. G.),
ELECTRICALS (2) Electric Blue,
ENGINEERING (3) Camford Eng, Carico
Eng, Inverbrugg, FOODS (2) Ostepek
Food, BAWAG (1) Banca di Roma,
Aruntos (Musselburgh), C. H. Indus-
trial, Continuous Stationery, Eastate
All, Reed Executive, ERGO, Calvo Rm, Museo
London United, MOTOROLA (2) Glenfield

BASE LENDING RATES

Table with columns for Bank Name, Rate, etc.

LONDON TRADED OPTIONS

Table with columns for Option, Calls, Puts, etc.

WORLD STOCK MARKETS

Table of world stock markets including Austria, Germany, Norway, Australia, Japan, Canada, and various indices. Columns include country, stock name, price, and change.

Table of Canadian stock markets including Toronto and Montreal. Columns include stock name, price, and change.

Table of various stock indices including New York, South Africa, and others. Columns include index name, date, and value.

OVER-THE-COUNTER Nasdaq national market, closing prices

Table of over-the-counter stock prices from the Nasdaq national market, listing various stocks and their closing prices.

NYSE CONSOLIDATED 1500 ACTIVES

Table of NYSE Consolidated 1500 Actives, showing stock prices and volume for various companies.

NYSE COMPOSITE CLOSING PRICES

Table of NYSE Composite Closing Prices, showing various market indices and their closing values.

LONDON Chief price changes

Table of London Chief Price Changes, listing price movements for various commodities and currencies.

Hand Delivery Service: Your subscription copy of the Financial Times can be hand-delivered to your office in the centre of any of the cities listed above.

Financial Times: Europe's Business Newspaper. Staying in Istanbul? Complimentary copies of the Financial Times are now available to guests staying at the following hotels in Istanbul.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Main table of stock prices with columns for 12 Month High/Low, Stock Name, Price, Change, and Volume. Includes various sectors like Technology, Energy, and Finance.

Kidder, Peabody International Limited. International Investment Bankers. An affiliate of Kidder, Peabody & Co. Incorporated. Founded 1865. New York • London • Paris • Geneva • Zurich • Hong Kong • Tokyo.

NYSE COMPOSITE CLOSING PRICES

Table of NYSE Composite Closing Prices. Columns include 12 Month High, Low, Stock, Div, Yld, P/E, 100s High, Low, Close, Change. Includes sub-sections like 'Continued from Page 30' and 'Continued on Page 29'.

AMEX COMPOSITE CLOSING PRICES

Table of AMEX Composite Closing Prices. Columns include 12 Month High, Low, Stock, Div, Yld, P/E, 100s High, Low, Close, Change. Includes sub-sections like 'Continued on Page 29' and 'Continued on Page 28'.

OVER-THE-COUNTER Nasdaq national market, closing prices

Table of Over-the-Counter (Nasdaq) national market closing prices. Columns include Stock, Sales, High, Low, Last, Change. Includes sub-sections like 'Continued on Page 29' and 'Continued on Page 28'.

Handwritten signature 'Jeffrey J. ...' in the top center margin.

FINANCIAL TIMES

WORLD STOCK MARKETS

WALL STREET

Confidence ahead of latest data

The US securities markets made a confident start to a week charged with the latest official data on the economy, writes Terry Byland in New York.

Stock prices rallied from a weak start, surging ahead sharply on futures-related buying programmes towards the end of the session. Bonds showed small gains as traders awaited today's meeting of the federal reserve's open market committee (FOMC).

It was the blue chip issues which led the rally in equities. The broader market was slower to rally and transportation and utility issues were sluggish throughout the session.

The Dow Jones industrial average ended with a net gain of 13.92 points at 1669.52, after showing a net fall of 7 1/2 points at mid-morning. Turnover remained moderate, with 113.2m shares traded on the NYSE.

Analysts are in broad agreement that the stock market could be in for a further bout of profit-taking, although there is uncertainty as to how soon and how deep a shakeout it could be. Shearson Lehmann Brothers advised clients to trim holdings in both stocks and bonds and to hold 20 per cent in cash.

But the firm added that the recent rally could continue if there is co-ordinated action on interest rates by Japan, West Germany and the US.

Wall Street will keenly watch the FOMC meeting for signs of any decision to relax credit policy in order to stimulate the flagging pace of US business. Today also brings official revision of earlier second quarter GNP growth estimates and later in the week, statistics are due on personal income, consumer prices, durable goods orders, housing starts and the federal budget deficit.

There was little immediate response to agreement in Washington on the proposed new tax code. The potential implications for corporate taxation are difficult to assess and have caught the stock market when it has many other reasons for uncertainty.

The recovery in the dow was led by IBM, up 3 1/2% at \$139 1/2. The other technology issues remained soft, except for Burroughs, up 5% at \$70 1/4 as its merger with Sperry took effect.

Honeywell, however, lost 3/4% to \$71, and NCR 3/4% to \$53 1/2. Among the personal computer manufacturers, Tandy Corp fell 3/4% to \$34 1/2 after reporting halved profits. Commodore edged up by 5% to \$8 1/2 on the latest results, which included an auditor qualification. Apple Computer at \$35 1/2 shed 3/4%.

Oil looked ragged against a backdrop of conflicting factors in the world oil market. Exxon at \$85 1/2 added 5% in moderate turnover while Atlantic Richfield shed by \$1 to \$55 1/2.

The Detroit car stocks quietened down after last week's active trading but Ford remained unchanged at \$59, while

General Motors rallied by 5% to \$71 1/2 - turnover was light in both cases.

Interest-orientated stocks moved narrowly, waiting for a move from the FOMC meeting. BankAmerica at \$12 1/2 shed 3/4% on light selling. The shares have held above the year's low despite disquiet over senior resignations, in part because of takeover hopes.

The transport sector was weakened both in airline and rail stocks. American Airlines gave up 3/4% to \$54 1/2 and United 3/4% to \$54, Pan Am at 5 1/2%, was only a shade above its low point.

But Jet America, on the American Stock Exchange, jumped 5 1/2% to \$4 1/2 as a unit of Delta Air Lines opened a tender offer at \$4.25 a share.

Other special features included a sweetened bid of \$77.50 a share or just over \$1bn cash for Ex-Cell-O from Textron, with the board supporting the new offer. Ex-Cell-O stock stood at \$77.

In the credit markets, federal funds rate edged up to 6 1/2% per cent but was met with \$2bn in customer repurchases by the Federal Reserve. Treasury-bill rates were also slightly higher.

But the Fed repurchase arrangements were not regarded as a sign of a changed policy - and the analysts continued to wait for the FOMC meeting. Bond prices fluttered either side of Friday's close to show a yield of about 7.29 per cent on the 30-year issue.

LONDON

Oil sector lubricates advance

SETTLEMENT DAY influences restricted trade in London but the majority of blue chip issues extended last week's sustained advance.

For the sixth successive session, the FT indices advanced, the FT Ordinary share closing 2.6 up at 1,273.6 and the FT-SE 100 share 1.1 higher at 1,609.0.

The strength of US oils on Friday influenced the market and demand was also generated by London comments on the outlook for crude oil prices. British Petroleum was well supported and ended 10p up at 610p, while Britoil continued its recovery to settle 7p dearer at 130p.

Potential gilt edged investors seemed content to wait for positive moves on the interest rate front and longer maturities eased 1/4 before rallying to close with small irregular changes.

Chief price changes, Page 29; Details, Page 28; Share information service, Pages 26-27.

HONG KONG

CONTINUED strong demand took Hong Kong stocks to a fresh record after the market had brushed aside the effects of some profit-taking late during the morning session.

The Hang Seng index rose 14.38 to 1,930.12, surpassing the previous record of 1,935.78 established on Friday.

Overseas institutions and local investors were selective purchasers of property and utility issues on expectations that they will benefit from last week's one point reduction in prime lending rate to 8 1/2 per cent.

Cheung Kong and Sun Hung Kai Properties each put on 30 cents to HK\$24.70 and HK\$14.70 respectively while New World rose 20 cents to HK\$6.90.

AUSTRALIA

HEAVY purchases of leading industrial stocks spurred Sydney markets ahead taking the All Ordinaries index up 8.7 to 1,185.8.

The continuing BHP-Bell Resources bid saga resurfaced, this time with the tables turned: BHP led 28 cents to A\$7.96 and Bell Resources 20 cents ahead at A\$5.

Among industrials, pre-budget nerves gave way to selective bargain hunting among blue chips.

Speculation that the budget would include a proposal to prevent superannuation trusts from investing offshore boosted demand for developers.

Mining stocks were mostly firmer despite easier bullion prices.

SOUTH AFRICA

THE EMERGENCE of late demand enabled Johannesburg gold shares to pick up from the day's lows but the sector was still easier on the day, in line with a lower bullion price.

Vaal Reefs eased R2 to R292, after R290 while Kloof finished 50 cents easier at R30.50. Against the trend, Libanon put on 50 cents to R61.

Platinum mirrored golds with Rustenburg 75 cents lower at R52.25 but mining financials and other miners were mostly firmer. Gold Fields put on R1.50 to R48.50 and De Beers rose 50 cents to R34.50.

CANADA

LOSSES widened in moderate Toronto trading with industrials, golds and metals and mines turning lower in step with the trend on Wall Street.

Canadian Imperial Bank of Commerce dipped 3/4% to trade at C\$17 1/2, Imasco C\$1 1/4 to C\$34 1/4 and Canadian Pacific C\$1 1/4 to C\$14 1/4. Against the trend, the actively traded Nova Alberta managed a 10 cent advance to C\$4.70.

Gold joined the retreat as bullion prices fell.

Oils were mixed.

EUROPE

Post holiday enthusiasm pervades

LINGERING optimism that world interest rates will turn softer, together with hopes that company results will improve further and the re-emergence of investors after weeks of relaxing in the sun, sparked European bourses to turn firmer after the long weekend holiday in most centres.

Frankfurt hounded ahead as foreign buyers sought stock in a market starved of paper. The Commerzbank index, calculated at mid-session, jumped 40.7 to 2,050.5.

Investors were indiscriminate in their purchases, selecting issues from all sectors, although construction and steel groups tended to show some weakness.

Holzmann faded DM 5 to DM 555 while Thyssen lost DM 2.50 to DM 160 and Linde shed DM 2 to DM 733.

Computer maker Nixdorf shot up DM 20 to DM 660, Bayerische Hypothekbank jumped DM 23 to DM 610 and among stores, Kaufhof gained DM 14 to DM 517 while Karstadt added DM 12 to DM 429.50.

Schering, the chemicals and pharmaceuticals group, reported a drop in turnover and sales for the first half but the issue rose DM 4.50 to DM 598.50.

Bonds were little changed as investors kept to the sidelines. Longs fluctuated between gains and losses of around 10 basis points.

The Bundesbank bought DM 1.8m worth of paper after selling DM 18.4m on Friday.

Paris was besieged by a flurry of mixed news on corporate sales but sentiment remained firm in reaction to last week's improved trade figures.

Those with lower turnover included Alstom, FFR 11 higher at FFR 325, Screg, steady at FFR 33 and Roussel-Uclaf, off FFR 25 at FFR 1,660 while those with higher sales included Bouygues, up FFR 65 at FFR 1,450, Essilor FFR 51 higher at FFR 3,040 and Peugeot with an advance of FFR 18 to FFR 1,068.

Amsterdam gathered steam as investors ignored last week's poor corporate results and returned to the market after Friday's religious holiday with renewed vigour.

Royal Dutch led the advances on the belief that Opec will adhere to its output agreement.

The highlight of the session, however, was the performance by Naarden International, the flavours and fragrances group that is in merger talks with Unilever after a tender offer of F1 90 per share for the flavourings group. Naarden shot up F1 34.10 to F1 88.10 on speculation that the transaction will go through

while Unilever added F1 7.80 to F1 512.

Bonds were higher after a hesitant start.

Milan also found new virtue after the long weekend and prices turned firmer with interest centring on insurers, financials and industrials issues.

Insurer RAS continued early gains to end at L85,500, up L7,700 while Toro reached L38,890 after a rise of L4,390.

Cofide, a de Benedetti group holding company, added L190 to L5,740, IFI and Fidis, holding companies of the Fiat group, ended with respective rises of L930 to L30,430 and L800 to L21,800.

Zurich continued last week's firmer trend as short-term interest rates drifted lower. Bonds were slightly up.

Madrid was higher as construction issues led the advance.

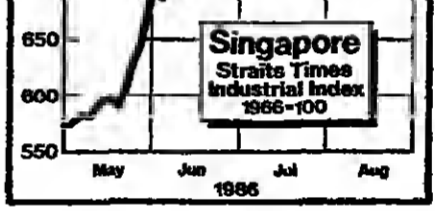
Oslo was boosted by the higher oil prices which in turn helped other sectors to advance.

Norsk Hydro, buoyed by optimistic reports about the company's performance in the US, gained Nkr 5.50 to Nkr 151.

Stockholm began the week on a lower note, however, amid continued profit-taking after last week's solid gains. Against the trend, Volvo rose SKr 8 to SKr 417 spurred by the announcement of a truck link with General Motors of the US.

Brussels was generally weaker due largely to stock-taking at the end of the present two-week trading period.

Utility group Ebes fell Bfr 40 to Bfr 4,760 and Intercom dropped Bfr 55 to Bfr 3,835 while oil group Petrofina remained stable at Bfr 8,850.



SINGAPORE

A SIXTH consecutive daily advance was registered in Singapore as selective buying interest and short covering took the market ahead in moderately active trading.

The Straits Times industrial index rose 5.99 to 809.84 with interest by local and foreign institutions centring on blue chips and some trustee stocks.

Among actively traded issues, Bonvests put on 10 cents to 72 cents while QAF shed 3 cents to S\$1.14.

Unilite Electrical, which resumed trading after being suspended since April 1978, closed at 98 cents compared with its last traded price of 52 cents.

TOKYO

Demand continues unabated

BUYING interest continued unabated in Tokyo, taking the Nikkei market average to a third successive peak, writes Shigeo Nishiwaki of Jiji Press.

The index climbed 221.03 to 18,597.44, a gain of some 1,243 points since August 7. Turnover remained strong with 950m shares traded, although down from last Friday's 1.2bn. Advances led declines by 435 to 424, with 117 issues unchanged.

Despite the absence of fresh incentives, institutional and individual investors continued buying, on expectation of a further rise in prices.

Giant-capital stocks continued to dominate the active stock list, but some front runners weakened on profit-taking. Toshiba topped the list with 64.14m shares traded but shed Y8 to Y829. Mitsubishi Electric fell Y5 to Y467.

Nippon Steel eased Y1 to Y201 and Ishikawajima-Harima Heavy Industries Y5 to Y420 after leading the giant-capital stock "fevers" in July.

By contrast, electric power and gas utilities gained more ground. Tokyo Electric Power was the most popular stock in terms of trading value, rising Y490 to Y7,150, exceeding the 7,000 mark for the first time. Tokyo Gas climbed Y10 to Y830.

Buying interest in trading houses gathered momentum on the prospect of lower interest rates.

Mitsui advanced Y39 to Y680, Mitsubishi Y30 to Y1,020 and C. Itoh Y20 to Y865.

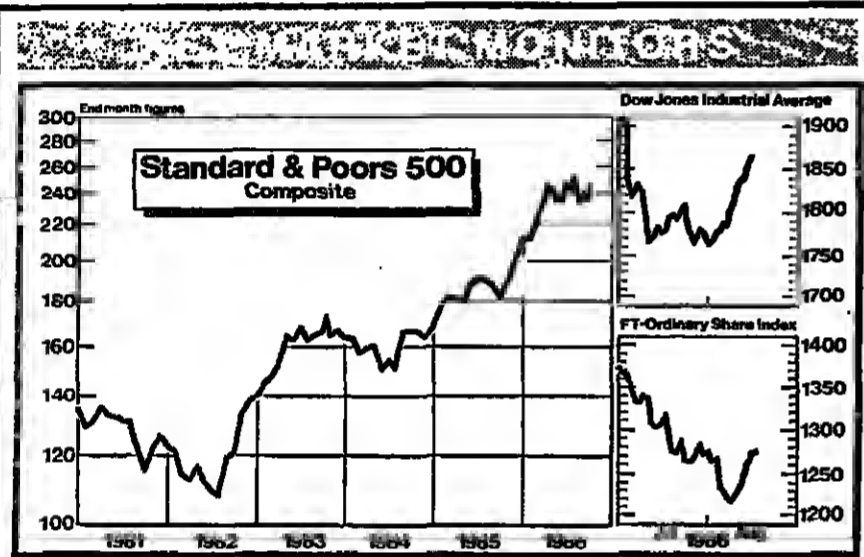
Stocks with large hidden assets were also sought. Mitsubishi Estate added Y180 to an all-time high of Y2,520, eclipsing its previous peak of 2,470 registered on July 25. Mitsui Real Estate put on Y100 to Y1,940.

Financial stocks held firm. Nomura Securities jumped Y90 to a record Y3,360. Tokio Marine and Fire Insurance hardened Y110 to Y1,780. Mitsubishi Trust and Banking Y1,700 to Y1,800.

Bond prices rose on expectations that the Bank of Japan will reduce its discount rate, following in the footsteps of the US and West Germany.

The yield on the benchmark 6.2 per cent due in July 1985 fell from last Friday's 4.810 to 4.575 per cent. On Friday, it had fallen below 4.6 per cent at one stage to 4.570 per cent.

The issue drew heavy selling worth more than Y100bn yesterday at a yield of 4.570 per cent. Dealers remained optimistic, but institutional investors were awaiting the announcement of the second revision of data for the second-quarter US gross national product schedules for today.



STOCK MARKET INDICES

NEW YORK	Aug 18	Previous	Year ago
DJ Industrials	1,669.52	1,855.60	1,312.72
DJ Transport	753.39	756.00	666.78
FT-SE 100	211.13	211.24	157.21
S&P Composite	247.38	247.15	186.10

LONDON	Aug 18	Previous	Year ago
FT-SE 100	1,273.6	1,271.0	972.1
FT-SE 100	1,609.0	1,601.9	1,296.1
FT-A All-share	793.93	790.34	626.84
FT-A 500	873.09	868.99	684.79
FT Gold mines	224.9	229.6	317.4
FT-A Long gilt	9.50	9.50	10.27

TOKYO

Nikkei	18,597.44	18,376.41	12,583.1
Tokyo SE	1,548.23	1,529.29	1,011.88

AUSTRALIA

All Ord.	1,185.9	1,176.5	956.2
Metals & Mins.	550.3	541.5	549.7

AUSTRIA

Credit Aktien	234.83	(c)	187.26
---------------	--------	-----	--------

BELGIUM

Belgian SE	3,905.69	(c)	2,320.44
------------	----------	-----	----------

CANADA

Toronto	2,021.4	2,040.53	2,074
Composite	3,017.2	3,031.70	2,791.5
Montreal	1,508.15	1,514.92	136.11

DENMARK

SE	200.24	199.93	2,320.44
----	--------	--------	----------

FRANCE

CAC Gen	389.00	(c)	215.8
Ind. Tendance	149.20	(c)	79.6

WEST GERMANY

FAZ-Aktien	676.97	687.07	481.14
Commerzbank	2,050.20	2,008.8	1,418.5

HONG KONG

Hang Seng	1,950.12	1,935.76	1,700.37
-----------	----------	----------	----------

ITALY

Banca Comm.	776.66	(c)	352.91
-------------	--------	-----	--------

NETHERLANDS

ANP-CBS Gen	296.70	293.7	214.8
ANP-CBS Ind	302.30	297.2	189.6

NORWAY

Oslo SE	355.05	351.06	348.14
---------	--------	--------	--------

SINGAPORE

Straits Times	809.84	803.85	758.29
---------------	--------	--------	--------

SOUTH AFRICA

JSE Golds	-	1,528.8	945.5
JSE Industrials	-	1,296.8	928.8

SPAIN

Madrid SE	196.15	(c)	82.35
-----------	--------	-----	-------

SWEDEN

J & P	2,598.45	2,587.63	1,326.76
-------	----------	----------	----------

SWITZERLAND

Swiss Bank Ind	543.10	540.6	461.6
----------------	--------	-------	-------

WORLD

	Aug 18	Prev	Year ago
M5 Capital Int'l	350.3	348.7	217.8

COMMODITIES

	Aug 18	Prev
Silver (spot fixing)	348.05p	356.85p
Copper (cash)	£865.00	£876.25
Coffee (Sept)	£2002.50	£1887.50
Oil (Brent blend)	\$14.80	\$14.25

GOLD (per ounce)

	Aug 18	Prev
London	\$377.75	\$382.975
Zurich	\$377.75	\$385.25
Paris (fixing)	\$378.21	\$381.84
Luxembourg	\$378.50	\$384.75
New York (Dec)	\$382.80*	\$380.20

INCREDIBLE BUT TRUE

Germany's old established GOVERNMENT GUARANTEED State Lottery, the

NORDWESTDEUTSCHE KLASSENLOTTERIE

is offering you a great opportunity. Next lottery will start end of September '86 and will last for 6 months.

200,000 guaranteed winners out of only 500,000 tickets sold. Incredible odds. More than every third ticket a sure WINNER. Our total payout is more than

169 MILLION D-MARK

(exactly: DM 169,667,000.—)

equivalent to about 80 Million U.S. Dollars. Imagine, with every TICKET you buy you participate in 26 weekly drawings. You have 26 WINNING CHANCES to become a

MILLIONAIRE

overnight. We have made many Millionaires.

All prizes are TAX FREE in Germany. Any prize amount will be paid immediately in any currency. STRICTEST CONFIDENCE. Do not delay - Order your ticket(s) today from your official accredited Lottery Agent:

CHRISTIAN SCHIPPMANN, P.O. Box 70 15 69

2000 Hamburg 70, West Germany.

Please fill in number of tickets you want to order:

___ 1/1 ticket(s) £ 228.— or US \$ 354.— or DM 738.— each

___ 1/2 ticket(s) £ 114.— or US \$ 186.— or DM 378.— each

___ 1/4 ticket(s) £ 66.— or US \$ 90.— or DM 198.— each

Mr./Mrs./Miss _____

Street _____

City _____

Country _____

Kindly enclose cheque with your order. 77/24